## SHARED HOUSING HUD GUIDELINES / RENT GUIDANCE

**Does HUD allow shared housing in all housing assistance programs?** HUD allows and promotes shared housing in CoC-funded programs (RRH, PSH, Diversion, Prevention), and also in all Housing Choice Voucher Programs ( <u>Shared Housing in the Housing Choice Voucher Program</u> and ESG, HOME, ARPA, HOPWA, and CDBG.

Shared Housing is explicitly permitted in the following HUD programs, based on CFR regs:

- Public Housing- Housing Choice Voucher Program (HCV) / EHV
- Housing Opportunities for Persons with AIDS (HOPWA)
- Community Development Block Grant Program (CDBG)

Shared Housing is *implicitly* permitted in the following programs, based on CFR regs, which means it is allowed by HUD:

- Emergency Solutions Grant (ESG)
- Continuum of Care (CoC) Programs
- HOME Program / ARPA

Shared Housing is not permitted in Public Housing or with Project Based Vouchers (PCV). HUD regulations on Shared Housing can be found in 24 CFR § 982.615 through 24 CFR § 982.618.\*

\*For detailed information on utilizing Shared Housing in each program listed above see the PPT link Shared Housing HUD Rules & Regulations

#### Shared Housing in the Housing Choice Voucher (HCV) Program

On January 15, 2021 <u>HUD Notice PIH 2021-05</u> was published to remind PHA's that Shared Housing was permissible and to provide program requirements.

- Each household must have a separate HAP (Housing Assistance Payment) contract and lease with the landlord.
- The household will pay a pro-rata portion of the rent, based on the # of bedrooms a household will occupy, divided by the total number of bedrooms in unit.

#### Determining Payment Standard in Shared Housing

Example: Household Includes Married Couple and 2-year old son Shared housing unit size: bedrooms available to assisted family= 2

Total bedrooms in the unit: 3

2 Bedrooms for assisted family

÷ 3 Bedrooms in the unit

.667 pro-rata share

2 BR payment standard: \$1200

3 BR payment standard: \$1695

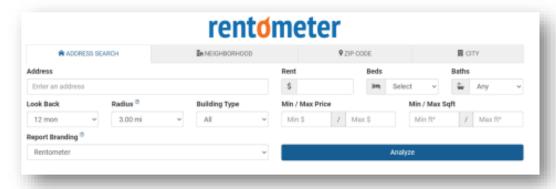
\$1695 x .667 (pro-rata share) = \$1131

\$1131 is lower than the \$1200 payment standard for the 2 BR family unit size \$1131 is the payment standard used to calculate the HAP

# SHARED HOUSING HUD GUIDELINES / RENT GUIDANCE

### **Rent Determination for Shared Housing**

In this competitive housing market, tools can help with landlord negotiations around rent and the inclusion of utilities. The maximum\*. HUD permits for rent in Shared Housing is the prorata share of the Fair Market Rent (FMR). Rentometer provides instant market analysis by calculating the average rent within a specific radius of a zip code or address, taking into consideration unit amenities (# of bedrooms, # of bathrooms, square footage, etc.).



Example: Maricopa County, AZ, the nation's fastest growing county. 2022/2023 FMR's below:

Final FY 2023 & Final FY 2022 FMRs By Unit Bedrooms					
Year	<b>Efficiency</b>	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2023 FMR	\$1,344	\$1,467	\$1,740	\$2,386	\$2,716
FY 2022 FMR	\$1,005	\$1,091	\$1,311	\$1,825	\$2,078

Maricopa County, AZ is part of the Phoenix-Mesa-Scottsdale, AZ MSA, which consists of the following counties: Maricopa County, AZ; and Pinal County, AZ. All information here applies to the entirety of the Phoenix-Mesa-Scottsdale, AZ MSA.

Rentometer shows the average area rent for a 3-bedroom unit is \$2,061, based on a specific apartment address. 2023 FMR for a three-bedroom unit = \$2,386. This difference can be used to negotiate rent and utilities. Rent as shared housing could then be Master room w/bath: \$750;

Bedroom 2: \$675; Bedroom 3: \$675

