



Special Attention of:

NOTICE PDR-2024-01

Regional Directors, Field Office Directors,
Economists, Public & Indian Housing
Division Directors, Multifamily Hub Directors,
Multifamily Program Center Directors

Issued: April 1, 2024
Expires: Effective until superseded

Cross References:

Subject: Estimated Median Family Incomes for Fiscal Year (FY) 2024

This memorandum transmits median family incomes for FY 2024. HUD uses the Section 8 program's Fair Market Rent (FMR) area definitions for its median family incomes, which means that HUD develops medians for each metropolitan area, parts of some metropolitan areas, and each nonmetropolitan county. For FY 2024, the geographic definitions incorporate all changes published by the Office of Management and Budget (OMB) through the September 14, 2018 bulletin.¹ HUD first implemented these changes through the calculation and publication of FY 2022 FMRs, issued August 6, 2021. See Section III of the *Federal Register* [notice](#) for a discussion of changes to metropolitan area definitions.

HUD uses the 2022 American Community Survey (ACS) and Puerto Rico Community Survey (PRCS) median family income data (as opposed to household income data) as the basis of FY 2024 median family incomes and income limits for all areas of geography, except for the U.S. Virgin Islands and Guam, American Samoa, and the Northern Mariana Islands (the Pacific Islands). HUD uses an inflation forecast from the Congressional Budget Office (CBO) in updating ACS estimates. For FY 2024, CBO has produced a forecast Consumer Price Index (CPI) of 310.683, which divided by the annual 2022 CPI of 292.613 is approximately 1.062 (a 6.2-percent increase).

HUD bases the median family incomes and income limits for the U.S. Virgin Islands and the Pacific Islands on 2020 Decennial Census data which is the most current information available. The decennial data for the U.S. Virgin Islands and the Pacific Islands reports 2019 median family incomes. HUD trends these incomes forward using the change in national median family incomes between 2019 and 2022 (from the ACS). HUD then applies the same CPI adjustment used in ACS areas from 2022 to fiscal year 2024.

HUD does not impose any limitations on the year-to-year change in an area's median family income. However, since FY 2010² HUD has limited annual decreases in the low- and very low-income limits to five percent and all annual increases to the greater of five percent or twice the

¹ OMB Bulletin NO. 18-04.

² Prior to FY 2010, HUD maintained a "hold harmless" policy, whereby Section 8 income limits for certain areas were held at previously published levels when reductions would otherwise have resulted from changes in housing cost, median income, or income limit methodologies, or changes in metropolitan area definitions.

change in the national median family income. For 2024 and hereafter, HUD is specifying that the cap should be measured using the annual change in the unadjusted national median family income subject to an absolute cap of 10 percent. HUD first announced this methodology on January 10, 2024 in a [Federal Register Notice](#). For 2024, the annual change is measured by the ACS from 2021 to 2022. Twice this change is approximately 14.8 percent, which is greater than the ten percent absolute cap. So, for FY 2024, the income limits “cap” is 10 percent.

An explanation of the procedures used to develop FY 2024 median family incomes accompanies this notice. Attachment 1 provides state-level median family income estimates. The Section 8 Income Limits and income limits for the Section 221(d)(3) Below Market Interest Rate (BMIR) rental program, the Section 235 program, and the Section 236 program are not part of this transmittal notice, but are issued as separate notices.

Please note that the use of the HUD median family incomes is subject to individual program guidelines covering definitions of income and family, family size, effective dates, and other factors. If you have any questions concerning these matters, please refer them to our website at <http://www.huduser.gov/portal/datasets/il.html>.

HUD median estimates are also available at the Department's Internet site, which provides a menu from which you may select the year and type of data of interest <https://www.huduser.gov/portal/datasets/il.html>.

/s/

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Attachment

ATTACHMENT
FY 2024 Median Family Incomes for States,
Metropolitan and Nonmetropolitan Portions of States

Please see <https://www.huduser.gov/portal/datasets/il/il24/FY24-Median-Attachment-State-Medians.pdf>