

**FY 2012  
HUD INCOME LIMITS  
BRIEFING MATERIAL**

U.S. Department of Housing and Urban Development  
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# FY 2012 INCOME LIMITS BRIEFING MATERIAL

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## I. Overview of HUD Section 8 Income Limits<sup>1</sup>

The Department of Housing and Urban Development (HUD) is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs. The major active assisted housing programs are the Public Housing program, the Section 8 Housing Choice Voucher program, Section 202 housing for the elderly program, and Section 811 housing for persons with disabilities program.

Beginning with FY 2010 Income Limits published on May 14, 2010, HUD eliminated its long standing "hold harmless" policy<sup>2</sup> but limited all annual decreases to 5 percent and will limit all annual increases to 5 percent or twice the change in the national median family income, whichever is greater. HUD has maintained these limits to increases and decreases in income limits for FY 2012. Income limits for rural housing programs continued their hold-harmless policy at the request of the Rural Housing Service, because these limits are based on area definitions and program rules specified by the Rural Housing Service of the Department of Agriculture. Rents calculated for the HOME Investment Partnerships (HOME) program, based in part on HUD Section 8 Income Limits, as well as rents for certain FDIC programs were held harmless; however, income limits for these programs are not held harmless.

HUD Section 8 Income Limits begin with the production of Median Family Income estimates. HUD uses the Section 8 program's Fair Market Rent (FMR) area definitions in developing median family income estimates (MFIs), which means that income estimates are developed for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. HUD Section 8 Income Limits are calculated for every FMR area with adjustments for family size and for areas that have unusually high or low income-to-housing-cost relationships.

The statutory basis for HUD's income limit policies is Section 3 of the U.S. Housing Act of 1937, as amended.<sup>3</sup> Attachment 1 provides the key excerpts relevant to income limits, which may be summarized as follows:

- Low-income families are defined as families whose incomes do not exceed 80 percent of the median family income for the area.
- Very low-income families are defined as families whose incomes do not exceed 50 percent of the median family income for the area.

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<sup>1</sup> Also known as HUD Public Housing/Section 8 Income Limits

<sup>2</sup> HUD's "hold harmless" policy maintained Section 8 income limits for certain areas at previously published levels when reductions would otherwise have resulted from changes in median family income estimates, housing cost adjustment data, median family income update methodology, income limit methodology, or metropolitan area definitions.

<sup>3</sup> 42 U.S.C. 1437b

- The amendments in the Quality Housing and Work Responsibility Act of 1998 (the 1998 Act) establish a 30 percent of median family income program targeting standard.
- Income limits for non-metropolitan areas may not be less than limits based on the State non-metropolitan median family income level.
- Income limits are adjusted for family size.
- Income limits are adjusted for areas with unusually high or low family income or housing-cost-to-income relationships.
- The Secretary of Agriculture is to be consulted prior to establishing income limits for rural areas, since these limits also apply to certain Rural Housing and Community Development Service programs.

## II. FY 2012 Median Family Income Estimates

### A. Overview

HUD updated the methodology to produce Median Family Income (MFI) estimates to take advantage of new data available from the Bureau of the Census' American Community Survey (ACS). In December 2010, the first set of 5-year ACS data was published. These 5-year aggregations, covering surveys administered in 2005 through 2009, are unique because they are available for most areas of geography<sup>4</sup>. So, beginning with the FY 2011 MFI, HUD's methodology was no longer based on 2000 Decennial Census data, but rather, was based on the 2005 – 2009 ACS data. The FY 2012 MFI estimates use the same ACS data and update the Consumer Price Index (CPI) to incorporate this data through the end of 2010. The factor used to trend the 2010 estimates to the midpoint of FY 2012 MFIs is unchanged at 3 percent per year<sup>5</sup>.

### B. ACS Data and its Use in the Production of Median Family Incomes

The ACS, conducted annually, was designed to produce estimates similar to the long-form sample survey previously conducted with the Decennial Census after 5 years of data became available to be aggregated together for a given area. Each year since full implementation of the survey in 2005, the Census Bureau collected an ACS sample sufficient to provide estimates of most survey items for areas with populations of 65,000 or more. After the 2007 ACS, the Census Bureau released data aggregated from the ACS samples collected over the three years, 2005, 2006, and 2007. This allowed the Census Bureau to release estimates for most items for areas with populations of 20,000 or more. FY 2010 MFIs reflected ACS survey data aggregated over 2006, 2007 and 2008. After the 2009 ACS sample, the Census Bureau now has sufficient data to release aggregated five-year estimates. Five year estimates are designed to provide estimates for areas of all sizes relevant to MFI and income limit production.

As mentioned above, the FY 2011 MFIs incorporated the 2005-2009 5 year ACS data into the calculation process. Specifically, for each metropolitan area, subarea of a metropolitan area, and non-metropolitan county, HUD used 5-year ACS data as the new basis for calculating MFI estimates. HUD used the 5-year data in this way to eliminate the reliance on the data collected during the 2000 Decennial Census. In areas with a valid 1-year ACS survey median

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<sup>4</sup> The ACS covers the 50 United States, and a separate survey called the Puerto Rico Community Survey (PRCS) covers Puerto Rico. The US Virgin Islands and the Pacific Islands (American Samoa, Commonwealth of the Northern Mariana Islands, and Guam) are not covered by the ACS or PRCS. Detailed demographic and socio-economic information covering these island areas have been collected by a special Long Form survey conducted in conjunction with the 2010 Decennial Census. These data are scheduled to be available in the Fall of 2012. For FY 2012 median family income calculations, HUD continues to use the change in the national median income between the 2000 Decennial Census and the latest ACS data as the update factor for the US Virgin Islands and the Pacific Islands. Since there was no new ACS data used for the calculation of FY 2012 median incomes, the national median from FY 2011 was updated with CPI through the end of 2010.

<sup>5</sup> This average annual trend factor is unchanged from last year and relies on a comparison of the nation ACS income in 2000 compared with the income for 2008. HUD is currently evaluating alternative trend factors and may update or change this trend factor for next year, most likely using a methodology similar to the method for calculating the trend factor in the FY 2013 Fair Market Rent calculations.

family income result, HUD incorporated this data as well to take advantage of more recent survey information. By using both the 5-year data and the 1-year data, where available, HUD established a new basis for median family income estimates while also capturing the most recent information available.

In the Federal Register notice announcing proposed FY 2012 FMRs, HUD solicited comment on setting a fixed date for publication of MFI estimates and Income Limits that would, in particular, mean that FY 2012 MFI estimates and Income Limits could not be based on updated 5-year (2006-2010) ACS tabulations. Public response was overwhelmingly in favor of setting a fixed publication date despite the inherent data limitation, so the FY 2012 MFI estimates and Income Limits, published December 2011, do not include new ACS data compared with the FY 2011 MFI estimates and Income Limits as the Census Bureau had not released new five-year ACS data in time to meet HUD's announced publication schedule. The only difference between FY 2012 and FY 2011 MFI estimates and Income Limits is the use of the CPI through 2010, instead of through 2009. For FY 2013, HUD will calculate the MFI estimates and Income Limits using ACS data from 2006-2010 and CPI data through 2011. Publication of the FY 2013 MFI estimates and Income Limits is scheduled for December 2012.

### **C. Margin of Error**

HUD continues to use the ACS estimate margins of error in FY 2012 as they were used in FY 2011. HUD begins by setting the base median family income equal to the 2005-2009 5-year ACS survey value. For areas with a valid 2009 1-year survey result, HUD uses the margin of error for the 1-year data in conjunction with the margin of error for the 5-year survey result to determine if the two survey results are statistically different. If they are statistically different, HUD uses the 1-year survey result. In the few cases where the statistical confidence interval for the 5-year ACS estimate of median family income includes zero, HUD assigns the state nonmetropolitan median<sup>6</sup>. No changes were made to these evaluations for FY 2012 because the same ACS data is used. For more information, please see section E – Median Family Income Estimate Calculations.

### **D. CPI Adjustment**

For FY 2011, MFI estimates based on the 2009 ACS data (the middle of 2009) were updated to the end of 2009 using CPI data. For FY 2012, MFI estimates were updated to the end of 2010 using CPI through the end of 2010. The CPI increase is the only difference between FY 2011 and FY 2012 MFIs. For Income Limits, new FY 2012 FMRs are evaluated to determine if a high housing cost adjustment is necessary and, if so, the level of that adjustment.

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<sup>6</sup> For the FY 2012 MFI estimates, HUD uses the state nonmetropolitan median for Kalawao County, HI and Kenedy County, TX.



### **E. Trend Factor**

MFI estimates are based on the most currently available data, but the delay in collecting and reporting the survey data mean that 2009 ACS income data is used for FY 2012 estimates that have an as-of date of April 1, 2012. A trend factor based on historic patterns of nominal income growth is used to inflate the estimate from the end of 2010 to April, 2012. As in previous years, HUD is maintaining the use of a 3 percent trend factor.

### **F. Median Family Income Estimate Calculations**

Median family<sup>7</sup> incomes start with the development of estimates of median family income for the metropolitan areas and non-metropolitan FMR/income limit areas (including U.S. territories). Attachment 2 provides a detailed explanation of how median family income estimates are calculated. The major steps are as follows:

HUD uses 2005-2009 5-year ACS estimates of median family income calculated for the areas used for FMRs and income limits as the basis for FY 2012. In areas where there is also a valid 2009 1 year ACS estimate of median family income, a statistical comparison is made between the 5-year median family income and the 1-year median family income available from the ACS. If the 1-year data are statistically different then the 5-year data, HUD calculates an update factor between the 5-year data and the 1-year data and applies this to the 5-year data. Once the appropriate 2009 ACS data has been selected, the data are set as of December 2010 using the December 2010 national CPI value divided by the 2009 National CPI value.

All places:

All estimates (using either 5 year data or 5 year data augmented with 1 year data) are then trended from December 2010 to April 2012 (1¼ year) with a trending factor of 3 percent per year.

For the non-Puerto Rico Insular Areas of the United States,<sup>8</sup> which currently lack ACS coverage, national ACS income changes are used as surrogates to update 2000 Decennial Census data. HUD anticipates eventually receiving new income data for these areas from the 2010 Decennial Census, which included a "long form" collection of detailed socio-economic information in these areas only.

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<sup>7</sup> Family refers to the Census definition of a family, which is a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The definition of family excludes one-person households and multi-person households of unrelated individuals.

<sup>8</sup> The areas without ACS coverage are the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands. Puerto Rico is covered by the ACS-equivalent Puerto Rico Community Survey.



### III. FY 2012 Income Limits

#### A. Overview

HUD's Section 8 very low-income and low-income limits are calculated in accordance with Section 3(b)(2) of the U.S. Housing Act of 1937, as amended. The very low-income limits (usually based on 50 percent of MFI) are considered to have the strongest statutory basis. They are the best-defined income limits and have been the subject of specific, limited legislative adjustments subsequent to reviews of the HUD calculation methodology. In addition, a number of other income limit calculations are tied by legislation to their calculation.

There are currently several legislated income limit standards (e.g., 30%, 50%, 60%, 65%, 80%, 95%, 100%, 115%, 125%) that were intended to have progressive relationships. To ensure that this occurs, the very low-income limits have been used as the basis for deriving other income limits unless that relevant statutory language has no references or relationship to low- and very low-income limits as defined by the U.S. Housing Act of 1937. If this were not done, for instance, HUD low-income limits would be less than very low-income limits in areas where very low-income limits had been adjusted upward by more than 60 percent because of unusually low area median family incomes relative to the Section 8 Fair Market Rents (FMRs).

#### B. Very Low-Income Limits

Very low-income limits are calculated using a set of formulae as follows. The first step is to calculate a four-person income limit equal to 50 percent of the estimated area median family income. Adjustments are then made if this estimate is outside formula constraints.

More specifically, the very low-income limit for a four-person family is calculated as follows:

- (1) 50 percent of the area median family income is calculated and set as the preliminary four-person family income limit;
- (2) the four-person very low-income limit is increased if it would otherwise be less than the amount at which 35 percent of it equals 85 percent of the annualized two-bedroom Section 8 FMR (this adjusts income limits upward for areas where rental housing costs are unusually high in relation to the median income);
- (3) the four-person very low-income limit is reduced to the greater of 80 percent of the U.S. median family income level, or the amount at which 30 percent of a four-person family's income equals 100 percent of the two-bedroom FMR (this adjusts income limits downward for areas of unusually high median family incomes);

- (4) the four person income limit is increased if it is less than the relevant State non-metropolitan median family income level,<sup>9</sup> and;
- (5) the four person income limit is increased if it is less than 95 percent of last year's very low income limit and reduced to the greater of 105 percent of last year's very low income limit or twice the change in the national median family income estimate if that amount would be larger than 5 percent. Between FY 2011 and FY 2012, the estimate of national median family income increased by 1.4 percent. Therefore, the upward change in income limits is capped at 105 percent of last year's very low income limit.

Beginning with the FY 2013 Income Limits, HUD will use 40<sup>th</sup> percentile rents instead of FMRs that include 50<sup>th</sup> percentile areas, to calculate high housing cost areas. The purpose of this change is to prevent fluctuations in difficult to develop area (DDA) determinations that result solely from high housing cost income limit fluctuations as areas go in and out of the 50<sup>th</sup> percentile FMR program.

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<sup>9</sup> A Housing and Community Development Act of 1987 amendment directed that non-metropolitan area income limits should never be set at less than if they were based on the State non-metropolitan median family income level. In implementing this provision, HUD used its discretion to apply this policy to metropolitan areas to avoid inequities that would otherwise result. Doing so avoids the anomaly of assigning higher income limits to a non-metropolitan county than are assigned to an adjacent metropolitan area where the median family income is less than the State non-metro level but above the level for the non-metro county.

Table 1 summarizes the rules governing very low-income limit determinations:

**Table 1**  
**Summary of Income Limits Determinations for**  
**FY 2012 Very Low-income Limits**

	Type Income Limit Calculation	Non-metro Counties	Metropolitan Areas
1.	Limits based on 50% of local median family income	724	411
2.	Limits based on State non-metropolitan median family income level	1091	61
3.	Limits increased to the amount at which 35% of 4-person family's income equals 85% of the 2-bedroom Section 8 FMR	11	20
4.	Limits decreased to the greater of 80% of the U.S. median family income or the amount at which 30% of a 4-person family's income equals 100% of the 2-bedroom FMR	2	2
5.	Limits increased if they were less than 95% of last year's limit	10	8
6.	Limits decreased if they were otherwise more than 105% of last year's limit	199	33
7.	TOTALS	2037	535

### C. Low-Income Limits

Most four-person low-income limits are the higher of 80 percent of the area median family income or 80 percent of the State non-metropolitan median family income level. Because the very low-income limits are not always based on 50 percent of median, strictly calculating low-income limits as 80 percent of median could produce anomalies inconsistent with statutory intent (e.g., very low-income limits could be higher than low-income limits). The calculation normally used, therefore, is to set the four-person low-income limit at 1.6 (i.e., 80%/50%) times the relevant four-person very low-income limit. The only exceptions are that the resulting income limit may not exceed the U.S. median family income level (\$65,100 for FY 2012) except when justified by high housing costs and that income limit changes are now restricted to 5 percent in either direction or an increase of twice the national change if that change is larger than 5 percent. Use of very low-income limits as a starting point for calculating other income limits tied to Section (3)(b)(2) of the U.S. Housing Act of 1937 has the effect of adjusting low-income limits in areas where the very low-income limits have been adjusted because of unusually high or

low housing-cost-to-income relationships.

Table 2 summarizes the rules governing low-income limit determinations and how many areas are affected by each provision:

**Table 2**  
**Summary of Income Limits Determinations**  
**for FY 2011 Low-income Limits**

	Type Income Limit Calculation	Non-metro Counties	Metropolitan Areas
1.	Limits based on 80% of local median family income	716	367
2.	Limits based on State nonmetropolitan median family income level	1089	58
3.	Limits increased for high housing costs proportional to such increases for very low-income limits (i.e., set at 80/50ths of the adjusted very low-income limits)	12	29
4.	Limits decreased because of unusually high incomes in relationship to housing costs	0	0
5.	Four-person base low-income limit capped at the higher of the U.S. median of \$65,100 or 80/50ths of the minimum 4-person very low-income limit	13	50
6.	Limits increased if they would otherwise be less than 95% of last year's low income limit	9	10
7.	Limits decreased if they would otherwise be more than 105% of last year's low income limit	198	21
8.	Totals	2037	535

HUD has adjusted low-income limits for areas of unusually high or low income since passage of the 1974 legislation that established the basic income limit system now used. Underlying the decision to set minimum and maximum low-income limits is the assumption that families in unusually poor areas should be defined as low-income if they are unable to afford standard quality housing even if their incomes exceed 80 percent of the local median family income. Similarly, families in unusually affluent areas are not considered low-income even if their income is less than 80 percent of the local median family income level unless justified by area housing costs.

Beginning with the FY 2013 Income Limits, HUD will use 40<sup>th</sup> percentile rents instead of FMRS that include 50<sup>th</sup> percentile areas, to calculate high housing cost areas. The purpose of this change is to prevent fluctuations in difficult to develop area (DDA) determinations that result solely from high housing cost income limit fluctuations as areas go in and out of the 50<sup>th</sup> percentile FMR program.

#### **D. 30 Percent of Area Median Family Income Limits**

The Quality Housing and Work Responsibility Act of 1998 established a new income limit standard based on 30 percent of median family income, which was to be adjusted for family size and for areas of unusually high or low family income. A statutory change was made in 1999 to clarify that these income limits should be tied to the Section 8 very low-income limits. The 30 percent income limits therefore are calculated as 30/50ths (60 percent) of the Section 8 very low-income limits. They are then compared to Supplemental Security Income (SSI) benefits. Since SSI benefits provide the minimum entitlement income for elderly and disabled households, the one-person 30 percent income limits are increased if they would otherwise be less than the minimum SSI level. These limits are also adjusted upward if rounding causes them to fall below 95% of last year's limit.

#### **E. Family Size Adjustments**

The income limit statute requires adjustments for family size. The legislative history and conference committee report indicates that the Congress intended that income limits should be higher for larger families and lower for smaller families. The same family size adjustments are used for all income limits. They are as follows:

<b>Number of Persons in Family and Percentage Adjustments</b>							
1	2	3	4	5	6	7	8
70%	80%	90%	Base	108%	116%	124%	132%

Income limits for families with more than eight persons are not included in the printed lists because of space limitations. For each person in excess of eight, the four-person income limit should be multiplied by an additional 8 percent. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) Income limits are rounded to the nearest \$50. Local agencies may round income limits for nine or more persons to the nearest \$50, or may use the un-rounded numbers. Family size-adjusted income limits are not re-tested for compliance with the 5-percent rule, as discussed below. Rounding anomalies produce some family size-adjusted income limits whose annual change is slightly larger or smaller than 5 percent.

#### **F. 5-Percent Rule**

As outlined earlier in these briefing materials, in response to comments received about



HUD's intention to eliminate the traditional hold-harmless provision for HUD Section 8 Income Limits received prior to the publication of FY2010 Income Limits, HUD is maintaining the constraint on the size of changes income limits can make in any one year. Specifically, the low-income and very low-income four-person limits will not be allowed to decrease more than 5 percent or increase more than 5 percent or twice the national increase in median family income, whichever of those is larger.

This policy was implemented in the following way:

- (1) The four person very low income limit is computed as half of the local median family income. Median family incomes are rounded to 100 so, by definition, the raw four person income limit is rounded to 50.
- (2) The cap for the four person very low income is last year's four-person very low-income multiplied by 1.05 and rounded down to the nearest \$50 or twice the change in the national median family income, also rounded down, whichever is larger. The cap is rounded down to ensure that it is less than or equal to 105 percent of last year's four-person very low-income limit.
- (3) The floor for the four-person very low-income is last year's four-person very low-income multiplied by .95 and rounded up to the nearest \$50. The floor is rounded up to ensure that it is greater than or equal to 95 percent of last year's four person very low income.
- (4) If the otherwise adjusted four-person very low-income is above the cap then it is set at the cap. If it is below the floor then it is set at the floor.
- (5) Family size adjustments are made to the floored/capped four-person very low-income limit. No additional adjustments are made to families of more or less than four persons for the very low-income limit except that it is then rounded up to the nearest \$50.
- (6) The cap and floor are applied in an analogous way to the four-person low-income limit.
- (7) No additional capping or flooring is done to any income limit based on either the very low-income limit or the low income limit.
- (8) Family size adjusted limits may be slightly larger or smaller than the cap or floor imposed on the four-person low and very low incomes due to rounding.

#### **IV. Housing and Economic Recovery Act of 2008**

Prior to FY 2010, HUD held Section 8 Income Limits harmless primarily so that Multifamily Tax Subsidy Housing Projects<sup>10</sup> would not be subject to reductions in income limits and maximum rents. Low Income Housing Tax Credit (LIHTC) and tax exempt bond-financed housing project income limits and rents are tied by statute to HUD's area median income estimates, and by regulation to HUD's Section 8 Income Limits.

Section 3009 of the Housing and Economic Recovery Act of 2008 (HERA) provides for holding harmless "area median gross income" for tax credit and tax-exempt bond-financed housing projects with additional inflation provisions for LIHTC and tax-exempt bond-financed projects held harmless by HUD in 2007 and 2008. Because the new law provides a statutory mechanism for achieving the effect of the income limit hold-harmless policy HUD no longer holds income limits harmless.

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<sup>10</sup>Multifamily Tax Subsidy Projects are those projects which are reliant upon Internal Revenue Code (IRC) section 42 Low Income Housing Tax Credit, or use tax-exempt private activity bonds under IRC section 142 as part of their financing. In the past we have referred to this group as LIHTC Projects.



## V. Income Limit Applications

HUD income limits apply to the following programs:

<b>Program</b>	<b>Income Limits Standard</b>
<b>A. Department of Housing and Urban Development</b>	
Public Housing	Very low-income or low-income standards
All Section 8 Programs	Very low-income or low-income standards
Indian Housing (1996 Act)	"Low-Income" is defined as the greater of 80% of the median family income for the Indian area or of the U.S. national median family income
Section 202 Elderly and Section 811 Handicapped programs	Very low-income or low-income standards
Section 235 (Homeownership program)	"95 percent" of area median income, or higher cost-based income limits
Section 236 (Rental program)	Low-income standard
Section 221(d)(3) (BMIR)(Below Market Interest Rate) rental program	"95 percent" of area median income, defined as 95/80ths of low-income definition
Community Planning and Development programs	Very low-income or low-income standards for current programs under management
HOME Investment Partnerships Act of 1990	"60 percent of median" and "65 percent of median" are used as income targeting and qualification requirements; both limits are tied to Section 8 income limit determinations
National Homeownership Trust Act of 1990	"95 percent" of median is referenced as the eligibility standard, with a "115 percent" of median standard for high cost areas

Low-Income Housing Preservation and Resident Homeownership Act of 1990	Affordability of units for current occupant of “moderate income” affects terms under which mortgage may be prepaid; “moderate income” is defined as 80-95 percent of median, with “80 percent” defined as the Section 8 low-income standard
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### **B. Rural Housing and Community Development Service**

Rental and ownership assistance programs	Assistance based on HUD Section 8 very low-income or low-income standards, or income limits tied to these standards
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### **C. Treasury Programs**

Multifamily Tax Subsidy Projects	Current standard is Section 8 very low-income standard or 120% of that definition (i.e., the “60%” of median standard) for projects determining income eligibility and rents who haven’t used income limits prior to FY 2012. <b>Income Limits for projects using income limits in FY 2010 or earlier will no longer use Section 8 Income Limits. A separate income limits publication will be produced for this program.</b>
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Tax-exempt Mortgage Revenue Bonds for homeownership financing	Generally set at 115% of area median income, with “115%” defined as 230% of the Section 8 very low-income standard
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“Difficult Development Area” Designation (Low-Income Housing Tax Credit)	Areas with the worst housing cost problems as measured by the FMR to 60% of median family income ratio; this designation is awarded to 20 percent of the metro and non-metro areas (using HUD area definitions) with the most severe problems and is recalculated annually; such areas receive special additional tax benefits under this program
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“Qualified Census Tract” (Low-Income Housing Tax Credit Program Definition) Areas, as defined by the Census and designated by HUD, where 50% of all households have incomes less than 60 percent of the area median family income, adjusted for household size, or the poverty rate is 25% or higher; such areas receive special additional tax benefits under this program; this calculation is based on 2000 Census data and income limit policies and area definitions in effect as of the date estimates are prepared

“Qualified Census Tract” (Mortgage Revenue Bond Program) Areas, as defined by the Census, where 70% of all families have incomes less than 80 percent of the state median family income, based on 2000 Census data

#### **D. Federal Deposit Insurance Corporation**

Disposition of Multifamily Housing to Non-profit and Public Agencies Not less than 35 percent of all dwelling units must be made available for occupancy and be affordable for low-income families, and at least 20 percent must be made available for occupancy and be affordable for very low-income families. An “affordable rent” is defined as the rent that would be paid by a family paying 30 percent of income for rent whose income is “65 percent of median”. This 65 percent figure is defined in relation to the very low-income standard (i.e., normally as 65/50ths of the standard)

Disposition of Single Family Housing For rentals, priority is given to non-profits and public agencies that make the dwellings affordable to low-income households. Households who intend to occupy a dwelling as their primary residence whose adjusted income does not exceed 115 percent of area median income, as determined by the Secretary of HUD, are given a purchase priority for the first 3 months a property is for sale.

#### **E. Federal Home Loan Banks**

Rental program funding Priorities Very low-income, “60 percent of median” (defined as 120% of very low-income), and low-income standards used

Homeownership funding priorities 115 percent and 140 percent of median family income limits are used



## **F. Federal Housing Finance Agency**

Income-based Housing Goals of Freddie Mac and Fannie Mae	Goals for percentages of loans are established for households with incomes at or below specified percentages of the HUD-published median family income for metropolitan and nonmetropolitan areas, as detailed in 12 CFR, Part 1252. The area definitions used relate to OMB metropolitan area definitions and the median family income estimates for the nonmetropolitan portions of each state.
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## **G. Other Federal Banking Regulatory Provisions**

Targeting of loan funds to low-income households and areas	Varies by agency
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## **H. Uniform Relocation Act**

Reimbursement to households forced to relocate from their residence by Federal agency	Extent of replacement housing assistance dependent on qualifying as Low-income, as defined by HUD; Act applies to all Federal agencies that initiate action that forces households to relocate from their residence
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## **I. Department of Veterans Affairs**

Eligibility for disability income support payments to veterans	Eligibility for non-service related income support payments is restricted to families with incomes below the HUD low-income standard
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## ATTACHMENT 1

### U.S. HOUSING ACT OF 1937 PROVISIONS RELATED TO INCOME LIMITS (As Amended through 1999)

#### Section 3:

(a)(1) Dwelling units assisted under this Act shall be rented only to families who are low-income families at the time of their initial occupancy of such units.....

(b) When used in this Act:

(1) The term "low-income housing" means decent, safe, and sanitary dwellings assisted under this Act....

(2) The term "low-income families" means those families whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceiling higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes. The term "very low-income families" means lower income families whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in section 520 of the Housing Act of 1949, taking into account the subsidy characteristics and types of programs to which such ceilings apply. In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portions of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties. In determining areas that are designated as difficult development areas for the purposes of the low-income housing tax credit, the Secretary shall include Westchester and Rockland Counties, New York, in the New York City metropolitan area.



## Section 16:

### Sec. 16. (a) Income Eligibility for Public Housing

(2)(A) Targeting. - Except as provided in paragraph 4, of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 40 percent shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(4)(D) Fungibility Floor. - Notwithstanding any authority under subparagraph (A), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 30 percent shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

### Sec. 16. (b) Income eligibility for Tenant-Based Section 8 Assistance

(1) IN GENERAL. - Of the families initially provided tenant-based assistance under section 8 by a public housing agency in any fiscal year, not less than 75 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

### Sec. 16. (c) Income Eligibility for Project-Based Section 8 Assistance

(1) Pre-1981 Act Projects. - Not more than 25 percent of the dwelling units that were available for occupancy under section 8 housing assistance payments contracts under this Act before the effective date of the Housing and Community Development Amendments of 1981, and which will be leased on or after such effective date shall be available for leasing by lower income families other than very low-income families.

(2) Post-1981 Act Projects. - Not more than 15 per cent of the dwelling units which became available for occupancy under section 8 housing assistance payments contracts under this Act on or after the effective date of the Housing and Community Development Amendments of 1981 shall be available for leasing by lower income families other than very low-income families.



(3) Targeting.-For each project assisted under a contract for project-based assistance, of the dwelling units that become available for occupancy in any fiscal year that are assisted under the contract, not less than 40 percent shall be available for leasing only by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(5) Exception.-The limitations established in paragraphs (1), (2), and (3) shall not apply to dwelling units made available under project-based contracts under section 8 for the purpose of preventing displacement, or ameliorating the effects of displacement.

Section 567 of the HCD Act of 1987 Amendment Affecting Section 3 of the 1937 Act:

"For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974, the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

- (1) the median income of the county in which the area is located; or,
- (2) the median income of the entire non-metropolitan area of the State.



## ATTACHMENT 2

### HUD METHODOLOGY FOR ESTIMATING FY 2012 MEDIAN FAMILY INCOMES

HUD updated its methodology to produce Median Family Income (MFI) estimates to take advantage of new nationally comprehensive data available from the Census Bureau's American Community Survey (ACS), beginning with the FY 2011 MFIs. In December 2010, the first set of 5-year ACS data was published. These 5-year aggregations, covering surveys administered in 2005 through 2009, provided income data for most areas of geography<sup>11</sup>. Because of the increase in the geographic coverage of the 5-year data, HUD's methodology for calculating FY 2011 MFI no longer was based on 2000 Decennial Census data, but rather, the 2005 – 2009 ACS data. The next 5-year series of income data, from 2006 to 2010 was not released in time to incorporate it into the FY 2012 MFIs, which HUD is publishing at this time in response to public comment supporting a fixed, early publication date. HUD is using the same ACS data for FY 2012 MFIs as it used for FY 2011 MFIs. HUD uses additional Consumer Price Index (CPI) data to update the ACS data from mid-2009 to the end of 2010. The factor used to trend the 2010 estimates to the midpoint of FY 2012 MFIs is unchanged at 3 percent per year<sup>12</sup>. Separate HUD MFI estimates are calculated for all Metropolitan Statistical Areas (MSAs), HUD Metro FMR Areas, and nonmetropolitan counties.

The ACS, conducted annually, was designed to produce estimates similar to the long-form sample survey previously conducted with the Decennial Census upon compilation of 5 years of data. Each year since full implementation of the survey in 2005, the Census Bureau collected an ACS sample sufficient to provide estimates of most survey items for areas with populations of 65,000 or more. After the 2007 ACS, the Census Bureau released data aggregated from the ACS samples collected over the three years, 2005, 2006, and 2007. This allowed the Census Bureau to release estimates for most items for areas with populations of 20,000 or more. FY 2010 MFIs reflected ACS survey data aggregated over 2006, 2007 and 2008. After the 2009 ACS sample, the Census Bureau had sufficient data to release aggregated five-year estimates. Five-year estimates are designed to provide estimates for geographic areas of all sizes relevant to MFI and income limit production.

As mentioned above, HUD used the 2005-2009 5-year ACS data in the calculation process for both the FY 2011 MFIs and the FY 2012 MFIs . Specifically, for each metropolitan area,

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<sup>11</sup> The ACS covers the 50 United States, and a separate survey called the Puerto Rico Community Survey (PRCS) covers Puerto Rico. The US Virgin Islands and the Pacific Islands (American Samoa, Commonwealth of the Northern Mariana Islands, and Guam) are not covered by the ACS or PRCS. Detailed demographic and socio-economic information covering these island areas have been collected by a special Long Form survey conducted in conjunction with the 2010 Decennial Census. These data are scheduled to be available in the Fall of 2012. For FY 2012 median family income calculations, HUD continues to use the change in the national median income between the 2000 Decennial Census and the latest ACS data as the update factor for the US Virgin Islands and the Pacific Islands. Since there was no new ACS data used for the calculation of FY 2012 median incomes, the national median from FY 2011 was updated with CPI through the end of 2010.

<sup>12</sup> This average annual trend factor is unchanged from last year and relies on a comparison of the nation ACS income in 2000 compared with the income for 2008. HUD is currently evaluating alternative trend factors and may update or change this trend factor for next year, most likely using a methodology similar to the method for calculating the trend factor in the FY 2013 Fair Market Rent calculations.





subarea of a metropolitan area, and non-metropolitan county, 5-year ACS data is used as the new basis for calculating MFI estimates. HUD is incorporating the 5-year data in this way to eliminate the reliance on the data collected during the 2000 Decennial Census as it is more than a decade old. In areas where there is a valid 1-year ACS survey median family income result, HUD endeavors to use this data as well to take advantage of more recent survey information. By using both the 5-year data and the 1-year data, where available, HUD is establishing a new basis for MFI estimates while also capturing the most recent information available.

HUD changed the way it uses ACS margins of error for the FY 2011 MFI estimates. HUD set the base MFI equal to the 2005-2009 5-year ACS survey value. For areas with a valid 2009 1-year survey result, HUD used the margin of error for the 1-year data in conjunction with the margin of error for the 5-year survey result to determine if the two survey results are statistically different. If they are statistically different, HUD uses the 1-year survey result. In the few cases where the margin of error exceeds the survey estimate, so that the confidence interval around the estimate includes zero, HUD assigns the state nonmetropolitan median<sup>13</sup>. This evaluation is unchanged in the use of the 2005-2009 ACS data for the FY 2012 MFI estimates.

MFI estimates are based on the most currently available data, but the delay in collecting and reporting the survey data mean that 2009 ACS income data is used for FY 2012 estimates that have an as-of date of April 1, 2012. The CPI is used to bring the income data from 2009 to the end of 2010. A trend factor based on historic patterns of nominal income growth is used to inflate the estimate from the end of 2010 to April, 2012. As in previous years, HUD is maintaining the use of a 3 percent trend factor.

Median family<sup>14</sup> incomes start with the development of estimates of MFI for the metropolitan areas and non-metropolitan FMR/income limit areas (including U.S. territories). Attachment 2 provides a detailed explanation of how median family income estimates are calculated. The major steps are as follows:

HUD uses 2005-2009 5-year ACS estimates of median family income calculated for the areas used for FMRs and income limits as the new basis for FY 2012. In areas where there is also a valid 2009 1-year ACS estimate of median family income, a statistical comparison is made between the 5-year median family income and the 1-year median family income available from the ACS. If the 1-year data are statistically different from the 5-year data, HUD calculates an update factor between the 5-year data and the 1-year data and applies this to the 5-year data. Once the appropriate 2009 ACS data has been selected, the data are set as of December 2010 using the December 2010 national CPI value divided by the annual 2009 National CPI value.

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<sup>13</sup> For the FY 2012 MFI estimates, HUD uses the state nonmetropolitan median for Kalawao County, HI and Kenedy County, TX.

<sup>14</sup> Family refers to the Census definition of a family, which is a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The definition of family excludes one-person households and multi-person households of unrelated individuals.



All places:

All estimates (using either 5-year data or 5-year data augmented with 1-year data) are updated with CPI through the end of 2010 then trended from December, 2010 to April, 2012 (1¼ year) with a trending factor of 3 percent per year.

For the non-Puerto Rico Insular Areas of the United States,<sup>15</sup> which currently lack ACS coverage, national ACS income changes are used as surrogates to update 2000 Decennial Census data. HUD anticipates eventually receiving new income data for these areas from the 2010 Decennial Census, which included a "long form" collection of detailed socio-economic information in these areas only.

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<sup>15</sup> The areas without ACS coverage are the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands. Puerto Rico is covered by the ACS-equivalent Puerto Rico Community Survey.



**ATTACHMENT 3**  
**Metropolitan FMR Areas with Adjusted**  
**Very Low Income Limits**

METROPOLITAN AREA	FY2012		4-PERSON	TYPE OF VLI ADJUSTMENT
	MEDIAN INCOME	50% OF MEDIAN	VLI LIMIT	
Aguadilla-Isabela-San Sebastián, PR MSA	16600	8300	12700	High Housing Cost
Anson County, NC HMFA	39200	19600	25100	State Median Based
Aransas County, TX HMFA	54700	27350	25600	Capped at 5%
Arecibo, PR HMFA	19400	9700	13400	High Housing Cost
Armstrong County, PA HMFA	53800	26900	27800	State Median Based
Bakersfield-Delano, CA MSA	54100	27050	28950	State Median Based
Barnstable Town, MA MSA	80000	40000	43100	Capped at 5%
Barranquitas-Aibonito-Quebradillas, PR H	16800	8400	13150	High Housing Cost
Bates County, MO HMFA	53000	26500	25600	Capped at 5%
Battle Creek, MI MSA	49500	24750	26050	State Median Based
Berkshire County, MA (part) HMFA	72400	36200	43100	Capped at 5%
Bismarck, ND MSA	77700	38850	37450	Capped at 5%
Boone County, WV HMFA	53500	26750	23850	Capped at 5%
Brockton, MA HMFA	83700	41850	43900	Capped at 5%
Brownsville-Harlingen, TX MSA	34100	17050	24650	State Median Based
Butts County, GA HMFA	64200	32100	30750	Capped at 5%
Caguas, PR HMFA	26000	13000	14700	High Housing Cost
Calhoun County, TX HMFA	57100	28550	28450	Capped at 5%
Casper, WY MSA	67000	33500	34150	State Median Based
Cheyenne, WY MSA	66200	33100	34150	State Median Based
Cumberland, MD-WV MSA	53000	26500	36300	State Median Based
Dallas County, MO HMFA	45800	22900	23900	State Median Based
Danville, IL MSA	53300	26650	28700	State Median Based
Danville, VA MSA	48700	24350	26300	State Median Based
Eastern Worcester County, MA HMFA	109100	54550	52000	Low Housing CostUSM
Easton-Raynham, MA HMFA	104400	52200	52000	Low Housing CostUSM
El Centro, CA MSA	45000	22500	28950	State Median Based
El Paso, TX MSA	41700	20850	24650	State Median Based
Elkhart-Goshen, IN MSA	51800	25900	26800	State Median Based
Fairbanks, AK MSA	92900	46450	42300	Capped at 5%
Fajardo, PR MSA	23500	11750	15250	High Housing Cost
Farmington, NM MSA	56900	28450	28250	Capped at 5%
Fitchburg-Leominster, MA HMFA	73000	36500	43100	Capped at 5%
Flagstaff, AZ MSA	61800	30900	31450	Floored at 5%
Fort Lauderdale, FL HMFA	62600	31300	35800	Floored at 5%
Franklin County, AR HMFA	41700	20850	21950	State Median Based
Franklin County, MA (part) HMFA	69800	34900	43100	Capped at 5%
Fresno, CA MSA	55500	27750	28950	State Median Based
Giles County, VA HMFA	51600	25800	26300	State Median Based
Grant County, AR HMFA	61300	30650	29900	Capped at 5%
Grant County, KY HMFA	48500	24250	26800	State Median Based
Great Falls, MT MSA	56300	28150	28300	State Median Based
Greene County, IN HMFA	52800	26400	26800	State Median Based
Greene County, NC HMFA	47900	23950	25100	State Median Based
Guayama, PR MSA	20200	10100	13400	High Housing Cost
Hagerstown, MD HMFA	67700	33850	36300	State Median Based
Hanford-Corcoran, CA MSA	54300	27150	28950	State Median Based
Honolulu, HI MSA	82700	41350	51500	High Housing Cost
Iberville Parish, LA HMFA	53000	26500	26300	Capped at 5%
Jacksonville, NC MSA	49300	24650	25100	State Median Based



**ATTACHMENT 3**  
**Metropolitan FMR Areas with Adjusted**  
**Very Low Income Limits**

METROPOLITAN AREA	FY2012		4-PERSON	TYPE OF VLI ADJUSTMENT
	MEDIAN 50% OF INCOME	50% OF MEDIAN	VLI LIMIT	
Jersey City, NJ HMFA	61200	30600	36800	Capped at 5%
Johnstown, PA MSA	52400	26200	27800	State Median Based
Jones County, IA HMFA	63200	31600	31550	Capped at 5%
Kendall County, TX HMFA	86800	43400	41300	Capped at 5%
Lake Charles, LA MSA	62400	31200	30250	Capped at 5%
Lamar County, GA HMFA	43200	21600	24450	Floored at 5%
Laredo, TX MSA	39600	19800	24650	State Median Based
Las Cruces, NM MSA	43800	21900	23850	State Median Based
Las Vegas-Paradise, NV MSA	64300	32150	33000	State Median Based
Lawrence, MA-NH HMFA	88300	44150	44750	State Median Based
Logan, UT-ID MSA	57300	28650	28750	State Median Based
Los Angeles-Long Beach, CA HMFA	64800	32400	42150	High Housing Cost
Macon County, TN HMFA	43500	21750	23000	State Median Based
Macoupin County, IL HMFA	63300	31650	30650	Capped at 5%
Madera-Chowchilla, CA MSA	54600	27300	28950	State Median Based
Marshall County, MS HMFA	43800	21900	23000	State Median Based
Martinsburg, WV HMFA	63900	31950	36300	State Median Based
Matanuska-Susitna Borough, AK HMFA	90600	45300	41600	Capped at 5%
Mayagüez, PR MSA	19500	9750	14450	High Housing Cost
McAllen-Edinburg-Mission, TX MSA	34200	17100	24650	State Median Based
Meade County, SD HMFA	52100	26050	28200	State Median Based
Medina County, TX HMFA	58900	29450	28550	Capped at 5%
Merced, CA MSA	51200	25600	28950	State Median Based
Miami-Miami Beach-Kendall, FL HMFA	52600	26300	32800	High Housing Cost
Moniteau County, MO HMFA	60100	30050	29800	Capped at 5%
Muncie, IN MSA	53000	26500	26800	State Median Based
New York, NY HMFA	65000	32500	41500	High Housing Cost
North Port-Bradenton-Sarasota, FL MSA	59900	29950	30800	Floored at 5%
Oconto County, WI HMFA	59500	29750	29950	State Median Based
Okmulgee County, OK HMFA	46400	23200	24750	State Median Based
Orange County, CA HMFA	85300	42650	48150	High Housing Cost
Penobscot County, ME (part) HMFA	49600	24800	27450	State Median Based
Pittsfield, MA HMFA	69800	34900	43100	Capped at 5%
Poinsett County, AR HMFA	41600	20800	21950	State Median Based
Ponce, PR MSA	20600	10300	15500	High Housing Cost
Portsmouth-Rochester, NH HMFA	84200	42100	44750	State Median Based
Pueblo, CO MSA	53600	26800	30500	State Median Based
Pulaski County, VA HMFA	49400	24700	26300	State Median Based
Putnam County, IN HMFA	62100	31050	30850	Capped at 5%
Riverside-San Bernardino-Ontario, CA MSA	63300	31650	33500	High Housing Cost
Rocky Mount, NC MSA	49700	24850	25100	State Median Based
Salinas, CA MSA	68700	34350	34600	High Housing Cost
Salisbury, MD HMFA	64400	32200	36300	State Median Based
San Diego-Carlsbad-San Marcos, CA MSA	75900	37950	40150	High Housing Cost
San Francisco, CA HMFA	103000	51500	55500	High Housing Cost
San Germán-Cabo Rojo, PR MSA	19600	9800	12550	High Housing Cost
San Juan-Guaynabo, PR HMFA	27300	13650	16150	High Housing Cost
Santa Barbara-Santa Maria-Goleta, CA MSA	73300	36650	37950	Capped at 5%
Santa Cruz-Watsonville, CA MSA	87000	43500	47900	Floored at 5%
Sebastian-Vero Beach, FL MSA	53800	26900	26950	Floored at 5%



**ATTACHMENT 3**  
**Metropolitan FMR Areas with Adjusted**  
**Very Low Income Limits**

METROPOLITAN AREA	FY2012		4-PERSON	TYPE OF VLI ADJUSTMENT
	MEDIAN INCOME	50% OF MEDIAN	VLI LIMIT	
Somerset County, MD HMFA	53000	26500	36300	State Median Based
Springfield, MA HMFA	70200	35100	43100	Capped at 5%
St. George, UT MSA	57100	28550	28750	State Median Based
Steubenville-Weirton, OH-WV MSA	51700	25850	26800	State Median Based
Sullivan County, IN HMFA	52900	26450	26800	State Median Based
Sumter, SC MSA	47700	23850	24150	State Median Based
Tate County, MS HMFA	46700	23350	23700	Floored at 5%
Tunica County, MS HMFA	31900	15950	23000	State Median Based
Union County, OH HMFA	82500	41250	40450	Capped at 5%
Visalia-Porterville, CA MSA	49500	24750	28950	State Median Based
Wakulla County, FL HMFA	66000	33000	31350	Capped at 5%
Warren County, VA HMFA	78400	39200	38050	Capped at 5%
Washington County, MO HMFA	43900	21950	23900	State Median Based
Waterbury, CT HMFA	68100	34050	41600	State Median Based
West Palm Beach-Boca Raton, FL HMFA	64100	32050	36150	Floored at 5%
Western Worcester County, MA HMFA	70200	35100	43100	Capped at 5%
Williamsport, PA MSA	54800	27400	27800	State Median Based
Worcester, MA HMFA	83600	41800	43950	Capped at 5%
Yakima, WA MSA	51200	25600	28700	State Median Based
Yauco, PR MSA	17000	8500	12400	High Housing Cost
Yuma, AZ MSA	44500	22250	23450	State Median Based

**ATTACHMENT 4**  
**Metropolitan FMR Areas with Adjusted**  
**Low Income Limits**

METROPOLITAN AREA	FY2012			TYPE OF LI ADJUSTMENT
	MEDIAN INCOME	80% OF MEDIAN LI	4-PERSON LIMIT	
Aguadilla-Isabela-San Sebastián, PR MSA	16600	8300	20300	High Housing Cost
Anchorage, AK HMFA	85200	42600	65000	Capped at US Med
Ann Arbor, MI MSA	87400	43700	65000	Capped at US Med
Anson County, NC HMFA	39200	19600	40150	State Median Based
Aransas County, TX HMFA	54700	27350	40950	Capped at 5%
Arecibo, PR HMFA	19400	9700	21450	High Housing Cost
Armstrong County, PA HMFA	53800	26900	44500	State Median Based
Bakersfield-Delano, CA MSA	54100	27050	46300	State Median Based
Baltimore-Towson, MD HMFA	85600	42800	65000	Capped at US Med
Barnstable Town, MA MSA	80000	40000	65000	Capped at US Med
Barranquitas-Aibonito-Quebradillas, PR H	16800	8400	21050	High Housing Cost
Bates County, MO HMFA	53000	26500	40950	Capped at 5%
Battle Creek, MI MSA	49500	24750	41700	State Median Based
Bergen-Passaic, NJ HMFA	94600	47300	70650	High Housing Cost
Berkshire County, MA (part) HMFA	72400	36200	65000	Capped at US Med
Bismarck, ND MSA	77700	38850	59900	Capped at 5%
Boone County, WV HMFA	53500	26750	38150	Capped at 5%
Boston-Cambridge-Quincy, MA-NH HMFA	97800	48900	65000	Capped at US Med
Boulder, CO MSA	93800	46900	65000	Capped at US Med
Bridgeport, CT HMFA	87100	43550	65000	Capped at US Med
Brockton, MA HMFA	83700	41850	65000	Capped at US Med
Brownsville-Harlingen, TX MSA	34100	17050	39450	State Median Based
Butts County, GA HMFA	64200	32100	49200	Capped at 5%
Caguas, PR HMFA	26000	13000	23500	High Housing Cost
Calhoun County, TX HMFA	57100	28550	45500	Capped at 5%
Casper, WY MSA	67000	33500	54650	State Median Based
Cheyenne, WY MSA	66200	33100	54650	State Median Based
Colchester-Lebanon, CT HMFA	100100	50050	65000	Capped at US Med
Cumberland, MD-WV MSA	53000	26500	58100	State Median Based
Dallas County, MO HMFA	45800	22900	38250	State Median Based
Danbury, CT HMFA	110400	55200	70950	Floored at 5%
Danville, IL MSA	53300	26650	45900	State Median Based
Danville, VA MSA	48700	24350	42100	State Median Based
Eastern Worcester County, MA HMFA	109100	54550	65000	Capped at US Med
Easton-Raynham, MA HMFA	104400	52200	65000	Capped at US Med
El Centro, CA MSA	45000	22500	46300	State Median Based
El Paso, TX MSA	41700	20850	39450	State Median Based
Elkhart-Goshen, IN MSA	51800	25900	42900	State Median Based
Fairbanks, AK MSA	92900	46450	65000	Capped at US Med
Fajardo, PR MSA	23500	11750	24400	High Housing Cost
Farmington, NM MSA	56900	28450	45200	Capped at 5%
Fitchburg-Leominster, MA HMFA	73000	36500	65000	Capped at US Med
Flagstaff, AZ MSA	61800	30900	50350	Floored at 5%
Fort Lauderdale, FL HMFA	62600	31300	57300	Floored at 5%
Franklin County, AR HMFA	41700	20850	35100	State Median Based
Franklin County, MA (part) HMFA	69800	34900	65000	Capped at US Med
Fresno, CA MSA	55500	27750	46300	State Median Based
Giles County, VA HMFA	51600	25800	42100	State Median Based
Grant County, AR HMFA	61300	30650	47850	Capped at 5%
Grant County, KY HMFA	48500	24250	42900	State Median Based



**ATTACHMENT 4**  
**Metropolitan FMR Areas with Adjusted**  
**Low Income Limits**

METROPOLITAN AREA	FY2012			TYPE OF LI ADJUSTMENT
	MEDIAN INCOME	80% OF MEDIAN LI	4-PERSON LIMIT	
Great Falls, MT MSA	56300	28150	45300	State Median Based
Greene County, IN HMFA	52800	26400	42900	State Median Based
Greene County, NC HMFA	47900	23950	40150	State Median Based
Guayama, PR MSA	20200	10100	21450	High Housing Cost
Hagerstown, MD HMFA	67700	33850	58100	State Median Based
Hanford-Corcoran, CA MSA	54300	27150	46300	State Median Based
Hartford-West Hartford-East Hartford, CT	87700	43850	65000	Capped at US Med
Honolulu, HI MSA	82700	41350	82400	High Housing Cost
Iberville Parish, LA HMFA	53000	26500	42100	Capped at 5%
Jacksonville, NC MSA	49300	24650	40150	State Median Based
Jersey City, NJ HMFA	61200	30600	58900	Capped at 5%
Johnstown, PA MSA	52400	26200	44500	State Median Based
Jones County, IA HMFA	63200	31600	50500	Capped at 5%
Kendall County, IL HMFA	92300	46150	65000	Capped at US Med
Kendall County, TX HMFA	86800	43400	65000	Capped at US Med
Lake Charles, LA MSA	62400	31200	48400	Capped at 5%
Lamar County, GA HMFA	43200	21600	39100	Floored at 5%
Laredo, TX MSA	39600	19800	39450	State Median Based
Las Cruces, NM MSA	43800	21900	38150	State Median Based
Las Vegas-Paradise, NV MSA	64300	32150	52800	State Median Based
Lawrence, MA-NH HMFA	88300	44150	65000	Capped at US Med
Livingston County, MI HMFA	84400	42200	65000	Capped at US Med
Logan, UT-ID MSA	57300	28650	46000	State Median Based
Los Angeles-Long Beach, CA HMFA	64800	32400	67450	High Housing Cost
Lowell, MA HMFA	92900	46450	65000	Capped at US Med
Macon County, TN HMFA	43500	21750	36800	State Median Based
Macoupin County, IL HMFA	63300	31650	49000	Capped at 5%
Madera-Chowchilla, CA MSA	54600	27300	46300	State Median Based
Madison, WI HMFA	82900	41450	65000	Capped at US Med
Marshall County, MS HMFA	43800	21900	36800	State Median Based
Martinsburg, WV HMFA	63900	31950	58100	State Median Based
Matanuska-Susitna Borough, AK HMFA	90600	45300	65000	Capped at US Med
Mayagüez, PR MSA	19500	9750	23100	High Housing Cost
McAllen-Edinburg-Mission, TX MSA	34200	17100	39450	State Median Based
Meade County, SD HMFA	52100	26050	45100	State Median Based
Medina County, TX HMFA	58900	29450	45650	Capped at 5%
Merced, CA MSA	51200	25600	46300	State Median Based
Miami-Miami Beach-Kendall, FL HMFA	52600	26300	52500	High Housing Cost
Middlesex-Somerset-Hunterdon, NJ HMFA	105000	52500	65000	Capped at US Med
Milford-Ansonia-Seymour, CT HMFA	92200	46100	65000	Capped at US Med
Minneapolis-St. Paul-Bloomington, MN-WI	83900	41950	65000	Capped at US Med
Moniteau County, MO HMFA	60100	30050	47700	Capped at 5%
Monmouth-Ocean, NJ HMFA	91700	45850	66100	High Housing Cost
Muncie, IN MSA	53000	26500	42900	State Median Based
Napa, CA MSA	86100	43050	65000	Capped at US Med
Nashua, NH HMFA	94000	47000	65000	Capped at US Med
Nassau-Suffolk, NY HMFA	107500	53750	78400	High Housing Cost
New Haven-Meriden, CT HMFA	84900	42450	65000	Capped at US Med
New York, NY HMFA	65000	32500	66400	High Housing Cost
Newark, NJ HMFA	90700	45350	65000	Capped at US Med



**ATTACHMENT 4**  
**Metropolitan FMR Areas with Adjusted**  
**Low Income Limits**

METROPOLITAN AREA	FY2012			TYPE OF LI ADJUSTMENT
	MEDIAN INCOME	80% OF LI	4-PERSON LI LIMIT	
Newport-Middleton-Portsmouth, RI HMFA	90400	45200	65000	Capped at US Med
North Port-Bradenton-Sarasota, FL MSA	59900	29950	49300	Floored at 5%
Norwich-New London, CT HMFA	84400	42200	65000	Capped at US Med
Oakland-Fremont, CA HMFA	93500	46750	65350	High Housing Cost
Oconto County, WI HMFA	59500	29750	47900	State Median Based
Okmulgee County, OK HMFA	46400	23200	39600	State Median Based
Orange County, CA HMFA	85300	42650	77050	High Housing Cost
Oxnard-Thousand Oaks-Ventura, CA MSA	89300	44650	67650	Floored at 5%
Penobscot County, ME (part) HMFA	49600	24800	43900	State Median Based
Philadelphia-Camden-Wilmington, PA-NJ-DE	81500	40750	65000	Capped at US Med
Pittsfield, MA HMFA	69800	34900	65000	Capped at US Med
Poinsett County, AR HMFA	41600	20800	35100	State Median Based
Ponce, PR MSA	20600	10300	24800	High Housing Cost
Portsmouth-Rochester, NH HMFA	84200	42100	65000	Capped at US Med
Poughkeepsie-Newburgh-Middletown, NY MSA	87200	43600	65000	Capped at US Med
Pueblo, CO MSA	53600	26800	48800	State Median Based
Pulaski County, VA HMFA	49400	24700	42100	State Median Based
Putnam County, IN HMFA	62100	31050	49350	Capped at 5%
Riverside-San Bernardino-Ontario, CA MSA	63300	31650	53600	High Housing Cost
Rochester, MN HMFA	81300	40650	65000	Capped at US Med
Rockland County, NY HMFA	103100	51550	66400	High Housing Cost
Rocky Mount, NC MSA	49700	24850	40150	State Median Based
Salinas, CA MSA	68700	34350	55350	High Housing Cost
Salisbury, MD HMFA	64400	32200	58100	State Median Based
San Diego-Carlsbad-San Marcos, CA MSA	75900	37950	64250	High Housing Cost
San Francisco, CA HMFA	103000	51500	88800	High Housing Cost
San Germán-Cabo Rojo, PR MSA	19600	9800	20100	High Housing Cost
San Jose-Sunnyvale-Santa Clara, CA HMFA	105000	52500	75700	High Housing Cost
San Juan-Guaynabo, PR HMFA	27300	13650	25850	High Housing Cost
Santa Barbara-Santa Maria-Goleta, CA MSA	73300	36650	60700	Capped at 5%
Santa Cruz-Watsonville, CA MSA	87000	43500	76650	Floored at 5%
Santa Rosa-Petaluma, CA MSA	82600	41300	65000	Capped at US Med
Seattle-Bellevue, WA HMFA	88000	44000	65000	Capped at US Med
Sebastian-Vero Beach, FL MSA	53800	26900	43100	Floored at 5%
Somerset County, MD HMFA	53000	26500	58100	State Median Based
Southern Middlesex County, CT HMFA	98600	49300	65000	Capped at US Med
Springfield, MA HMFA	70200	35100	65000	Capped at US Med
St. George, UT MSA	57100	28550	46000	State Median Based
Stamford-Norwalk, CT HMFA	128400	64200	82500	High Housing Cost
Steubenville-Weirton, OH-WV MSA	51700	25850	42900	State Median Based
Sullivan County, IN HMFA	52900	26450	42900	State Median Based
Summit County, UT HMFA	100300	50150	65000	Capped at US Med
Sumter, SC MSA	47700	23850	38650	State Median Based
Tate County, MS HMFA	46700	23350	37900	Floored at 5%
Taunton-Mansfield-Norton, MA HMFA	88600	44300	65000	Capped at US Med
Trenton-Ewing, NJ MSA	95700	47850	65000	Capped at US Med
Tunica County, MS HMFA	31900	15950	36800	State Median Based
Union County, OH HMFA	82500	41250	64700	Capped at 5%
Vallejo-Fairfield, CA MSA	82600	41300	65000	Capped at US Med
Visalia-Porterville, CA MSA	49500	24750	46300	State Median Based



**ATTACHMENT 4**  
**Metropolitan FMR Areas with Adjusted**  
**Low Income Limits**

METROPOLITAN AREA	FY2012			TYPE OF LI ADJUSTMENT
	MEDIAN INCOME	80% OF 4-PERSON MEDIAN LI	LIMIT	
Wakulla County, FL HMFA	66000	33000	50150	Capped at 5%
Warren County, NJ HMFA	89200	44600	65000	Capped at US Med
Warren County, VA HMFA	78400	39200	60900	Capped at 5%
Washington County, MO HMFA	43900	21950	38250	State Median Based
Washington-Arlington-Alexandria, DC-VA-M	107500	53750	70250	High Housing Cost
Waterbury, CT HMFA	68100	34050	65000	Capped at US Med
West Palm Beach-Boca Raton, FL HMFA	64100	32050	57900	Floored at 5%
Westchester County, NY Statutory Excepti	107900	53950	73700	High Housing Cost
Westerly-Hopkinton-New Shoreham, RI HMFA	85600	42800	65000	Capped at US Med
Western Rockingham County, NH HMFA	101100	50550	65000	Capped at US Med
Western Worcester County, MA HMFA	70200	35100	65000	Capped at US Med
Williamsport, PA MSA	54800	27400	44500	State Median Based
Worcester, MA HMFA	83600	41800	65000	Capped at US Med
Yakima, WA MSA	51200	25600	45900	State Median Based
Yauco, PR MSA	17000	8500	19850	High Housing Cost
Yuma, AZ MSA	44500	22250	37500	State Median Based

**ATTACHMENT 5**  
**FY 2012 Median Family Incomes for States,**  
**Metropolitan and Nonmetropolitan Portions of States**

STATE	FY 2012		
	TOTAL	METRO	NONMETRO
Alabama	55400	58800	47600
Alaska	80400	84500	71100
Arizona	61600	62800	46900
Arkansas	50900	56600	43900
California	71400	71800	57900
Colorado	74100	76700	61000
Connecticut	89200	90000	83200
Delaware	73300	77400	62600
District of Columbia	71400	71400	52400*
Florida	57000	57800	45900
Georgia	59800	63700	45200
Hawaii	79400	82700	73400
Idaho	55200	58400	50500
Illinois	72100	75300	57400
Indiana	60100	62400	53600
Iowa	64800	70300	59300
Kansas	65200	72100	54400
Kentucky	53000	61800	43600
Louisiana	55700	59600	47000
Maine	61000	66300	54900
Maryland	89300	90600	72600
Massachusetts	86100	86100	89500
Michigan	60400	62900	52100
Minnesota	73900	80200	60000
Mississippi	48700	57700	42200
Missouri	60700	66600	47800
Montana	58000	60900	56600
Nebraska	64400	71500	57000
Nevada	64800	64700	66000
New Hampshire	80500	87500	70300
New Jersey	89400	89400	52400*
New Mexico	54500	58900	47700
New York	71400	73300	56900
North Carolina	57800	61600	50200
North Dakota	67600	72900	63800
Ohio	61100	63200	53600
Oklahoma	55800	59900	49500
Oregon	63900	67700	53400
Pennsylvania	66600	69300	55600
Rhode Island	75700	75700	52400*
South Carolina	55800	58400	48300
South Dakota	60400	65700	56400
Tennessee	54700	59000	46000
Texas	60300	62400	49300
Utah	67500	69000	57500
Vermont	67600	76700	63800
Virginia	76900	82800	52600
Washington	72900	75600	57400
West Virginia	50700	55400	45400
Wisconsin	66700	70200	59900
Wyoming	67700	66600	68300
US	65000	67600	52400

\* US non-metropolitan median