



Total Tenant Payment

The total tenant payment (TTP) represents the minimum amount a family must contribute toward rent and utilities regardless of the unit selected using a statutory formula of the greater of:

- 30 percent of monthly adjusted income
- 10 percent of monthly gross income
- the Minimum Rent of the PHA [\$50]

Utility Allowance

The utility allowance is calculated for each family based on MHA’s schedule of average utility consumption by unit size for each of the family-paid utilities. This should not be confused with the actual amount that a family pays for a particular utility, but is based upon the average described previously.

Maximum Rent Burden

When a family selects a unit with a gross rent exceeding the payment standard established by MHA, MHA must determine whether the family’s share for that unit would exceed the maximum initial rent burden. The family share may not exceed 40% of the family’s monthly adjusted income when the family initially moves into the unit.

The HAP Subsidy

When first searching for a unit, HUD limits the initial family share to 40% of monthly adjusted gross income; therefore, MHA will provide a rent range estimate to help you in your housing search. The exact Housing Assistance Payment [HAP] subsidy can be calculated only after the family has selected a unit, the utility allowance calculated, the gross rent determined, and the family’s final income and composition documented. All these factors determine the maximum the MHA will pay for the family. The HAP is the lower of:

1. The payment standard the family is certified for
or
The payment standard of the unit the family occupies
or
 2. The gross rent
- > minus the TTP = _____
- > minus the TTP = _____

Family Rent to Owner

The family rent to owner is the portion of the contract rent that MHA does not pay. Families may not pay any amount in excess of the family rent indicated on various documents, such as the HAP contract, the RTA, the Lease, Rent Adjustment letters.

Utility Reimbursement

The amount of the utility reimbursement, if any, is the amount by which the HAP payment exceeds the rent to the owner. When there is a utility reimbursement, MHA pays the full amount of the rent to the owner and send the utility reimbursement to the family.