

How Subsidy Proration Works in NYCHA

NYCHA's General Rule for Determining Rent*

The rent amount a household pays will be the lower of



OR



Income-Based Rent

The income-based rent amount is the highest of:

- The cash assistance maximum shelter allowance, if the household is in receipt of cash assistance, or
- 10% of gross household income, or
- 30% of adjusted household income. (*Adjusted income is countable income after any applicable deductions.*)

Flat Rent

The flat rent amount is the maximum rent for NYCHA apartments based on a % of HUD's fair market rent (FMR).

NYCHA's FY26 Flat Rent Amounts	
Studio	\$2,024
1 Bedroom	\$2,124
2 Bedrooms	\$2,328
3 Bedrooms	\$2,916
4 Bedrooms	\$3,168
5 Bedrooms	\$3,643
6 Bedrooms	\$4,118
7 Bedrooms	\$4,593
8 Bedrooms	\$5,068

*Exception: NYCHA's Over-Income Policy. [Click here.](#)

Source: [New York City Housing Authority](#)



SCENARIO 1

Family of 5: All household members meet the immigration criteria.

Josie and Mark live in a 3-bedroom apartment with their 3 children (16-year-old son, 14-year-old daughter, and 7-year-old son).

- Josie and Mark work and have an annual gross income of **\$85,000**.
- They are entitled to the \$480 dependent deduction per child, for a total deduction of **\$1,440**.
- Their adjusted annual income is $\$85,000 - \$1,440 = \mathbf{\$83,560}$.
- The income-based rent calculation will be calculated as follows:
 - Gross Income:
 $10\% \times \$85,000 = 8,500/12 = \mathbf{\$708}$
 - Adjusted Income:
 $30\% \times \$83,560 = \$25,068/12 = \mathbf{\$2,089}$

Their rent will be **\$2,089** because it is less than the flat rent for a 3BR apartment, **\$2,916**.



SCENARIO 2

Family of 5: Four household members meet the immigration criteria. One household member does not.

All else is the same as Scenario 1, except 1 household member does not meet the immigration criteria.

- First, we subtract **\$2,089** from the flat rent of a three-bedroom apartment, **\$2,916**, to determine NYCHA's subsidy.
- $\$2,916 - \$2,089 = \mathbf{\$827}$, NYCHA's subsidy.
- Then, we calculate the pro-rated subsidy for this household.
- Because only 4 of the 5 household members are immigrant eligible, the family receives only 4/5 (80%) of the subsidy or **\$661.60** ($\$827 \times .80$).
- Lastly, let's find the difference between the flat rent, **\$2,916**, and the pro-rated subsidy, **\$661.60**.
 - $\$2,916 - \$661.60 = \mathbf{\$2,254.40}$.

This family will pay **\$2,254.40** instead of **\$2,089** as their NYCHA rent.

