



U.S. Department of Housing and Urban Development

Boston Regional Office, Region I
Boston Federal Building, 3rd Floor
10 Causeway Street
Boston, MA 02222-1092

HM 101
#13

REC'D MAR 25 1987

MAR 24 1987

Mrs. Patty Jennings
Director of Leased Housing
Holyoke Housing Authority
475 Maple Street
Holyoke, MA 01040

Dear Mrs. Jennings:

SUBJECT: Security Deposits

This is in response to your inquiry as to whether the tenant's utility allowance should be included in calculating a security deposit.

HUD regulations require the greater of one month's Total Tenant Payment ("TTP") or \$50. The TTP does include the utility allowance. The regulation is qualified, however, in that the security deposit is not to exceed the amount allowed by state or local law. Mass. Gen. Laws ch. 186, S15b(i) (iii), limits the security deposit to the tenant's rent. Part 813 of 24 C.F.R. does not include the utility allowance in its definition of tenant rent. Accordingly, Section 8 tenants should not be required to pay a security deposit that is based on the TTP. Rather, the security deposit should equal only the tenant's rent.

If you have any further questions, please contact Stanley Sigel, Housing Management Specialist, at 565-5206.

Sincerely,

Richard P. Kluck
Director, Management Division
Office of Public Housing