



Transitional Housing (TH) Informational Guide

Transitional Housing (TH) provides temporary housing with supportive services to households experiencing homelessness. The goal is interim stability and support to successfully move participants into permanent housing. TH projects may cover housing costs and supportive services for up to 24 months.

§ 578.79 Limitation on transitional housing.

A homeless individual or family may remain in transitional housing for a period longer than 24 months, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living. However, HUD may discontinue assistance for a transitional housing project if more than half of the homeless individuals or families remain in that project longer than 24 months.

Key Program Expectations

Participant Eligibility & Housing Terms

- Households maintain literal homelessness; however, their time in TH is a break in chronic homelessness.
- Participants must sign a lease, sublease, or occupancy agreement with:
 - An initial term of at least one month
 - Automatic renewal unless prior notice is given by either party
 - A maximum term of 24 months

Supportive Services

- Provide or partner with another provider to offer services that help participants obtain and maintain housing.
- Tailor services to participant needs; may require participation in non-disability-related services (e.g., substance use treatment).
- Provide 40 hours/week of customized services, with required exemptions or adjustments.

- Offer up to 6 months of post-exit services to support the transition to independent living. ([24 CFR 578.53\(b\)\(3\)](#))
- Include a required supportive services agreement. ([24 CFR 578.75\(h\)](#))
- Use mainstream/public resources such as Medicaid, SSI, SNAP.

Transitional Housing Costs

- Rent and Occupancy Charges:
 - When rental assistance is provided as part of a Transitional Housing (TH) project, program participants receiving rental assistance are required to pay rent. For a comprehensive overview of how to determine income and calculate rent, please review **Section 5.609 and 5.611(a)** and **Section 578.77** of the CoC Program Interim Rule.
 - Calculating Rent and Occupancy Charges
- Maintain reasonable cost per household. ([2 CFR 200.404](#))
- Leasing costs are exempt from match expectations
- (c) Rent and occupancy charges. Rents and occupancy charges collected from program participants are program income. In addition, rents and occupancy charges collected from residents of transitional housing may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing.
- Eligible Leasing Activities
 - Rent for units or structures
 - Security deposits (up to 2 months)
 - First and last month's rent (1 month each, as advanced payment)
 - Staff costs to manage leasing (HQS inspections, payments to landlords)
 - Payments for unoccupied units while waiting for a new participant
- Rental Assistance Types
 - Tenant-Based Rental Assistance (TBRA)
 - How it Works: Participant locates a private rental unit and leases directly with the landlord.
 - Portability: Assistance moves with the participant (may be geographically limited).
 - Sponsor-Based Rental Assistance (SBRA)
 - How it Works: Sponsor agency leases units and sublets them to the participant.
 - Portability: Stays with the sponsor if the participant moves.
 - Project-Based Rental Assistance (PBRA)
 - How it Works: Recipient contracts with a property; participant leases the unit.
 - Portability: Stays with the unit; does not move with the participants



- **(c) Restriction on combining funds.** In a single structure or housing unit, the following types of assistance may not be combined:
 - (4) Rental assistance and leasing; or
 - (5) Rental assistance and operating.
- **(d) Program fees.** Recipients and subrecipients may not charge program participants program fees.

Additional Resources

[CoC Leasing and Rental Assistance Requirements Overview](#)

[Virtual Binder: At-a-Glance Leasing](#)

[Virtual Binder: At-a-Glance Operating Costs](#)

[Virtual Binder: At-a-Glance Rental Assistance](#)

[Virtual Binder: At-a-Glance Supportive Services](#)

[CoC Eligible Activities Overview](#)

