

Rent Reasonableness

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	Changes From Previous Version								
4-5	Revised Section 2.4.2 to incorporate policy stated in PIH 2020-19	September 2020							
5	Revised Section 2.5 to indicate that the section addresses a requirement	September 2020							
6-7	Revised Section 2.8 to incorporate policy stated in PIH 2020-19	September 2020							
7	Added Section 2.10 to incorporate policy stated in PIH 2020-19	September 2020							

1. Chapter Overview

PHAs must¹ ensure that rents charged by owners to Housing Choice Voucher (HCV) program participants are reasonable. The PHA must² compare the rent for the voucher unit to rents for similar unassisted units in the marketplace.

Ensuring rent reasonableness is very important for effective program operations. If a PHA approves rents that are too high, government funds are wasted and limited housing subsidies are squandered. Alternatively, if rents are approved at levels lower than comparable units in the private market, better owners and higher quality units are discouraged from participating in the program. In addition, families may be inappropriately restricted in where they can live.

Determining rent reasonableness is especially critical when a PHA uses its authority to set a payment standard higher than the FMR for all or a portion of its jurisdiction. Some owners will apply pressure to increase their rents to, or closer to, the payment standard. PHAs should be careful to not overpay, or the effect will be to inflate rents in a portion of the market.

¹ 24 CFR § 982.507(b)

² 24 CFR § 982.507(b)

2. Program Requirements

2.1 When Rent Reasonableness Determinations Are Required

HUD regulations require that PHAs perform a rent reasonableness determination in each of the following four instances.

2.1.1 Before Executing a HAP Contract

A PHA must³ not execute a HAP contract until it has documented that the charged rent is reasonable.

2.1.2 Before Any Increase in the Rent to Owner

Before the PHA may approve any rent increase to the owner, the PHA must⁴ determine and document whether the proposed rent is reasonable compared to similar units in the marketplace and not higher than those paid by unassisted tenants on the premises.

2.1.3 Ten Percent or More Reduction in FMR

A rent reasonableness determination is required when there is a ten percent decrease in the published FMR (for the unit size rented by the family) in effect 60 days before the contract anniversary date as compared with the FMR in effect one year before the contract anniversary date. An FMR will never decrease by more than 10 percent from the previous year's FMR. This provision is designed to ensure that when the market goes down by a significant amount, the PHA must⁵ reexamine rent reasonableness at the contract anniversary date, even if the owner does not propose a rent increase. When determining if this provision applies, the PHA must compare the FMR in effect 60 days prior to the upcoming HAP contract anniversary date with the FMR in effect one year before the upcoming anniversary date.⁶

2.1.4 If Directed by HUD

If HUD has reason to question the PHA's system or the accuracy of the determination, HUD may require the PHA to conduct rent reasonableness reviews on all or a portion of its units.

In addition to the four instances cited above, the PHA may at its discretion also determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to the owner may not exceed the most recently determined or re-determined reasonable rent amount.

2.2 Comparability

In conducting rent reasonableness, the PHA must⁷ determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. In determining comparability, the PHA must⁸ consider the following factors where appropriate and practical:

- Location;
- Quality;

³ 24 CFR § 982.507(a)(1)

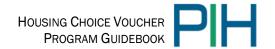
⁴ 24 CFR § 982.507(a)(2)(i)

⁵ 24 CFR § 982.507(a)(2)(ii); PIH Notice 2018-01 (HA): Guidance on Recent Changes in Fair Market Rent (FMR), Payment Standard, and Rent Reasonableness Requirements in the Housing Choice Voucher Program

^{6 24} CFR § 982.507(a)(2)(ii)

⁷ 24 CFR § 982.507(b)

⁸ 24 CFR § 982.507(b); Notice PIH 2003-12: Determination of Rent Reasonableness - Revision of Request for Tenancy Approval, Form HUD-52517



- Size:
- Unit type;
- Age of the contract unit;
- Amenities:
- Housing services;
- Maintenance; and
- Utilities the owner must provide under the lease.

2.3 Accessibility

For the family that requires an accessible unit, a unit in close proximity to medical services, or a particular unit because of another disability-related reason, the accessible features, location, or other particulars of the unit may justify a higher rent under the rent reasonableness provisions in **24 CFR § 982.507(b)(1)**. For such families, the rent reasonableness determination must⁹ take those features into account. A PHA must permit a higher rent that may be necessary as a reasonable accommodation for persons with disabilities in accordance with Federal civil rights laws.

2.4 Assisted and Unassisted Units in the Premises

To accurately determine rent reasonableness, the PHA must¹⁰ exclude "assisted" units from rent comparisons. Assisted units include units occupied by voucher program participants, as well as units assisted under other federal, state, or local government programs. Units may also be considered "assisted" due to rent control or conversion actions that trigger eligibility for a tenant protection voucher (TPV).

2.4.1 Rent Control

In regulated localities, rents are limited to the lesser of the PHA-determined reasonable rent or the rent controlled amount unless units leased under the voucher program are exempt from local rent control under the local rent control ordinance. Rent-controlled units are "assisted" units and may not be considered for rent reasonableness determinations.

2.4.2 Conversion Actions¹¹

Units in converted properties (a property undergoing a conversion action that triggers eligibility for a TPV as described below) are considered assisted if the owner chooses to continue charging below market rents by offering lower rents or other rent concessions to impacted families who do not receive a voucher. To be considered assisted, the owner must provide written notification to the PHA, including a list of the covered families, by unit number; a description and duration of the lower rent or concession; and any additional information that the PHA deems necessary to determine applicability of the policy to the property.

Upon verification of the information submitted by the owner, the PHA must exclude such units from rent reasonableness determinations until notified by the owner that either a covered family has moved from the unit or the rent paid by the family is no longer below market or subject to a rent concession, at which point the unit is no longer excluded from the rent reasonableness determination.

^{9 24} CFR § 982.507(b)(1)

^{10 24} CFR § 982.507(b)

¹¹ Notice PIH 2020-19: Rent Reasonableness - Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Programs

Converted properties include properties undergoing any of the following conversion actions:

- Housing conversion actions that occur in the Multifamily Housing Portfolios and include an owner
 decision to opt-out of or not renew a Section 8 project-based contract (opt-out); a prepayment of the
 mortgage or voluntary termination of the mortgage insurance of a preservation eligible property
 (preservation prepayments); a HUD enforcement action against an owner that involves termination or
 non-renewal of a Section 8 project-based housing assistance payments; or a HUD property disposition
 activity;
- Any of the conversion actions covered by Notice PIH 2019-01/H 2019-02, or successor notices, for which the property has received an award of set-aside TPVs; and
- A public housing conversion action including demolitions and/or dispositions approved under Section 18 of the 1937 Act (including demolitions authorized under de minimis authority of such Act); required conversions approved under Section 33 of the 1937 Act; voluntary conversions approved under Section 22 of the 1937 Act; and removals initiated under an awarded Choice Neighborhood Initiative and/or HOPE VI grant.

The unit must be occupied by a family who was residing in the unit on the following date (as applicable) and did not receive a TPV as a result of the conversion action:

- The date of the eligibility event of the housing conversion action;
- The later of: (a) the date that the TPV funding application is submitted to HUD by the PHA or (b) the date of the triggering event, for set-aside TPV actions; or
- The date of PIH approval of the Public Housing Conversion or the Choice Neighborhood Initiative award date

2.4.3 Other Owner Rent Reductions

Other units for which an owner voluntarily charges rent that are below market to some or all tenants are not considered assisted units. PHAs should consider these units when determining rent reasonableness.

2.5 Rent Increases

In determining the reasonableness of owner-requested rent increases, the PHA must consider the owner policies for existing assisted and unassisted tenants. For example:

- Rent increases for HCV tenants over time must be similar to increases charged to unassisted tenants who have lived in their units for approximately the same amount of time; and
- Reasonable rents for existing HCV tenants must not exceed rents charged for comparable unassisted units in which the tenants have lived for approximately the same amount of time.¹²

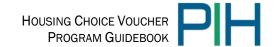
2.6 Tax Credit and HOME Units

The procedure for determining rent reasonableness has been streamlined for units receiving assistance through low-income housing tax credits (LIHTC) or the HOME program. The PHA is not required¹³ to compare rents for these units with unassisted local rents, if the rent to owner does not exceed the rent charged for families who are not participants in the voucher program. The reasonable rent is the lower of the rent charged to such unassisted families or the applicable payment standard.

Under LIHTC, if the rent requested by the owner exceeds the rent charged in other LIHTC units for families who

¹² Notice PIH 2020-19: Rent Reasonableness - Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Programs

¹³ The Housing and Economic Recovery Act of 2008 Applicability to HUD Public Housing, Section 8 Tenant-Based Voucher and Section 8 Project-Based Voucher Programs; Notice," 73 Federal Register 227



are not participants in the voucher program, PHA must¹⁴ perform a rent comparability study to determine if the requested rent is reasonable. In these cases, the rent must be the lower of the reasonable rent (as determined by the rent comparability study) or the payment standard established by the PHA for the unit size involved.¹⁵

2.7 Units with Other Forms of Federal Housing Subsidies

In properties subsidized by the federal government through programs such as the FHA Section 221(d)(3), Section 236, and the direct loan Section 202 programs or the Rural Development Administration's Section 515 program, the rent to owner is always the subsidized rent approved by the appropriate agency of the federal government. For example, in a Section 236 property the rent to owner is the HUD approved basic rent for the unit. This rent will be lower than the full market rent for the unit. It is important that PHAs do not include these types of units in their databases for comparability purposes.

2.8 Owner Certification of Rents Charged for Other Units

By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units on the premises. The owner must¹⁶ provide information requested by the PHA on rents charged by the owner for other units on the premises, including the rents charged for the three most recently leased, unassisted units in the project, if the project has 4 or more units. The Request for Tenancy Approval (Form HUD-52517) includes information on comparable unassisted units on the premises.

In determining the reasonableness of rents for units located in a multifamily project that is not substantially assisted, the PHA may¹⁷ base its determination on the rents charged for the three comparable unassisted units identified by the owner on the RFTA. In such cases, the PHA does not have to obtain additional rent comparables in other multifamily housing in the area. Additionally, the PHA may choose to only consider the most recent rentals in determining the rents that the owner is charging for comparable unassisted units. In some markets, new families routinely pay higher rents than the rents that longer time families in comparable units may be paying (often due to local rent stabilization programs or ordinances that limit rent increases for existing families).

An owner who offers a rent concession for *unassisted* units at the property (those not qualifying as units in converted properties; see section 2.4.2 above) must also offer them to HCV/PBV participants.¹⁸ The PHA must use the actual amount of the rent for such unassisted units (that is, the rent with the concession) in determining the reasonable rent amount. For example, an HCV family is looking to rent a unit in Property A. The rent to owner is generally \$800, but the owner offers a rent credit (a rent concession) of \$100 during the first two months of occupancy. During the initial lease term, the rent amount that the PHA must use for determining the reasonable rent is \$700 for two months (\$1,400) and \$800 for the remaining ten months (\$8,000) in a 12-month period, or \$783 ((\$1,400+\$8,000)/12) per month for 12 months.

¹⁴ 24 CFR § 982.507(c)(2)

^{15 24} CFR § 982.507(c)(2)

¹⁶ 24 CFR § 982.507(d)

¹⁷ Notice PIH 2003-12: Determination of Rent Reasonableness - Revision of Request for Tenancy Approval, Form HUD-52517

¹⁸ Notice PIH 2020-19: Rent Reasonableness - Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Programs

2.9 Documenting the Rent Reasonableness Decision

In each case where the PHA is required to determine rent reasonableness, the PHA may want to document its decision and the basis for it (i.e., information on the unassisted units compared) in the tenant's file, including who conducted the rent reasonableness determination and when. The determination must¹⁹ be made before the PHA approves the initial rent to owner, or any owner request to increase the rent.

2.10 Units occupied by certain employees of the property management company.

In some rental markets it is common practice for certain employees of the property management company (e.g., a resident manager) to reside in the property rent-free or at a significantly reduced rent as part of their employment compensation. Under such limited circumstances, the rent for these units does not represent the rent that is charged or would be charged for a comparable unassisted unit and the PHA must not take them into account in making rent reasonableness determinations.

3. PHA Options for Developing and Maintaining a Rent Reasonableness Process

PHAs must²⁰ ensure that their methodology meets the requirements discussed in Sections 1 and 2 above, however, HUD does not prescribe the way in which PHAs should arrive at their rent reasonableness determinations. This flexibility is intentional due to the high variability across and within housing markets.

3.1 Overall Considerations

3.1.1 Understand local market factors

It is important for a PHA to understand what affects rents in its local rental housing market. In some markets, a feature might affect the rent, but in another it might only affect the desirability of the unit; this desirable feature might result in the unit renting faster but not in a higher rent.

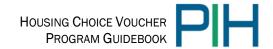
Not all of the factors that HUD requires PHAs to review have the same effect on rents, and there is considerable variation on what is important from market to market. However, the three most important factors in explaining differences in rents are:

- Location of the unit;
- · Number of bedrooms in the unit; and
- Type of unit (e.g., high rise, garden apartment, duplex, single family home).

PHAs are not required to quantifiably document or consider all nine factors discussed in Section 2.2, as such a method is unnecessary and time-consuming. PHAs should take a common-sense approach to valuing a unit based on these factors.

¹⁹ 24 CFR § 982.507(a)

²⁰ 24 CFR § 982.507



3.1.2 Ensure method represents entire market, not only units within the PHA's Payment Standard

PHAs need to be careful not to limit their rent reasonableness analysis to only mid-range units or only units in certain more affordable neighborhoods. Voucher families may choose to rent units above the payment standard. As a rule of thumb, the PHA should collect data on units with gross rents at least 20-25 percent above the greater of the payment standard or the FMR, including any HUD approved exception payment standards.

3.1.3 Update data regularly to ensure methodology reflects current market How often the data should be updated depends upon market conditions. In some communities, it may be adequate to update the information every year. For rapidly changing markets, however, it may be appropriate to update the database quarterly.

3.1.4 Obtain information about the program unit

Depending on which factors drive the local market and the methodology for determining rent reasonableness, the PHA may need to collect additional information about the unit beyond what is provided in the request for tenancy approval. *Exhibit 2: Rent Reasonableness Data for Program Unit* provides a sample form designed to collect information on all items. The PHA may wish to add this information to an automated record for the unit to retain the information for future rent reasonableness comparisons of the unit. To ensure accuracy, the PHA may have the inspector verify the information at each inspection to determine if any changes to the unit have occurred.

3.1.5 Consider how utilities will be factored into the rent reasonableness determination

Some studies report rents with all utilities included, some without any utilities included, and others with only the most typical set of utilities included. To compare unassisted units with program units, it is important to make the necessary adjustments so that utilities are treated consistently. Many of these existing surveys are designed to show the overall picture of the rental market and may not be very useful in evaluating the rent for a unit type.

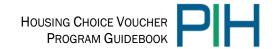
3.1.6 When practical, share rent reasonableness data with PHAs in overlapping jurisdictions

If a PHA's jurisdiction overlaps with that of another PHA, or if two PHAs agree to follow their participants into the other's jurisdiction, both need sufficient data to make an informed rent reasonableness determination in the other jurisdiction. In this and other situations of overlapping jurisdictions, it may benefit all parties and provide more consistency for owners and tenants if the PHAs collaborated for rent reasonableness. Options include sharing rent reasonableness databases or making fee arrangements whereby the PHA whose jurisdiction contains the physical property could conduct the inspections and rent reasonableness for the PHA with the overlapping jurisdiction. This avoids having different HQS and rent reasonableness standards applied in one jurisdiction.

3.2 Rent Reasonableness Methodology - Comparables vs. Market Study

3.2.1 Using Comparables

PHAs use a database of unassisted units to find comparable units to the subject unit. PHAs should focus their considerations on the factors that affect rent rather than try to measure against an arbitrary standard of average rents. The danger in a standard is that poorer quality units are likely to be overpaid and higher quality units underpaid. In addition, ranges or averages should be determined for the submarket areas within the



marketplace. The broader the area for the range or average, the more likely is an under/overpayment for particular units. It is better to compare to specific units.

Once the staff member has identified the units most comparable to the program unit, the staff member should place information on the comparable units in the file.

Exhibits 3: Sample Comparison of Program and Comparable Units and Exhibit 4: Suggested Format Rent Reasonableness Checklist, provide two alternative sample forms for recording the data on the program and comparable units for placement in the tenant file. The person conducting rent reasonableness should provide sufficient information about the evaluation process so that an auditor or supervisor can understand how the comparables were used to determine the appropriate rent for the program units.

If the initial location selection provides very few units from the database, the analyst may need to expand the geographic area to include more units for comparison. However, the analyst should consider this distance and make the best determination possible about the comparability of the units. Documentation in the file should trace the analyst's steps, analysis and conclusions.

In some cases, particularly in areas where there are few rental units, it may be hard to identify units that match on location, building type and number of bedrooms. In these cases, the analyst may need to review the database to locate units that: 1) have the same number of bedrooms and building type but in a broader geographic range; or 2) have the same number of bedrooms and are in the same geographic location but are in other types of buildings. Knowledge of the comparative housing markets and general variations in price by type of building, along with some creativity, may be needed in cases where there are few direct comparables in the database. The following example illustrates this point:

Database of comparable units

Many PHAs use a third-party database of rental units to find comparables. When choosing a database, PHAs should ensure that the database meets the requirements of the program (for example, that the comparable units in the database are unassisted).

The PHA may create their own database of comparables by researching available units listed online. This may make more sense in rural areas or for small PHAs where a third-party database does not exist or is cost prohibitive.

Newspaper and internet listings often contain either the lowest rent or the range of rents among units with the same number of bedrooms. The PHA can follow-up to determine what causes the rents to vary (e.g., unit size; location in the development; number of bathrooms; amenities), and record each configuration as a separate comparable.

Possible Sources of Rental Information on Vacant Units

The best sources of rental information will vary from community to community. PHAs should learn how owners market their vacant units to locate them for comparability and to recruit new owners to the program.

In some localities, rental property listings may be available from licensing or taxing authorities. Where licensing does occur, obtaining a list of these units by location, size and type can provide a picture of the overall rental market.

The following are websites that provide rental listings for many parts of the country. In addition, most of the major web browsers provide access from their home page to one or more rental housing listing services:

- move.com
- craigslist.org
- Apartments.com
- forrent.com
- padmapper.com
- Zillow.com Lists all rental units that are publicly listed through real estate agencies; typically includes single units or smaller complexes.

- Newspaper ads (including internet versions of newspaper ads);
- Weekly or monthly neighborhood or shopper newspapers that have rental listings;
- "For Rent" signs in windows or on lawns;
- Bulletin boards in community locations, such as grocery stores, laundromats, churches, and social service offices; and

PHAs may choose to have a standard form for collecting the data on unassisted units that includes all the needed information under the regulations. *Exhibit 1: Survey for Unassisted Rental Units* provides a sample form.

3.2.2 Rental Market Survey or Study

A rental market survey or study can determine the value of certain features and what drives rent. Some companies will complete a rental market survey and create a statistical model to help the PHA determine rent reasonableness for each unit. Rental market surveys may already exist – either commissioned by the local government or commercial real estate firms.

4. SEMAP

SEMAP Indicator 2, Reasonable Rent, measures whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based upon current rents for comparable unassisted units. The voucher program rule requires²¹ that the PHA's system for determining comparability and reasonable rent consider factors that are important in the local rental market. Those factors may include 1) location; 2) size; 3) type; 4) quality; 5) age; 6) amenities; 7) housing services; 8) maintenance; and 9) utilities provided by the owner under the lease.

Each fiscal year, the PHA must²² draw a random sample of participant files to document evidence that the PHA has followed its procedures and that each rent to owner is reasonable. This quality control review must examine rent reasonableness documentation for each time during the fiscal year that a unit in the sample was leased or received a rent increase. There must²³ also be rent reasonableness documentation if there was a ten percent decrease in the FMR in effect 60 days before the HAP contract anniversary for any unit.

5. Chapter Glossary

The following terms are used in this Chapter:

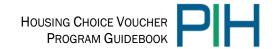
Assisted Units include units occupied by voucher program participants, as well as units assisted under a federal, state, or local government program. Units may also be considered "assisted" due to rent control or housing conversion actions. The PHA must exclude "assisted" units from rent comparisons in determining rent reasonableness.

Fair Market Rent (FMR) is the rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately

²¹ 24 CFR 985.3(b); Notice PIH 2003-12: Determination of Rent Reasonableness - Revision of Request for Tenancy Approval, Form HUD-52517

²² 24 CFR 985.3(b)

²³ 24 CFR § 982.507(a)(2)(ii); PIH Notice 2018-01 (HA): Guidance on Recent Changes in Fair Market Rent (FMR), Payment Standard, and Rent Reasonableness Requirements in the Housing Choice Voucher Program



owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 C.F.R. Part 888.

Jurisdiction is the area in which the PHA has authority under state and local law to administer the program.

Reasonable Rent is rent to owner that is not more than rent charged:

- 1. For comparable units in the private unassisted market; and
- 2. For comparable unassisted units in the premises.

Exhibit 1: Sample Form - Survey for Unassisted Rental Units

Date of Data Collection Unit Location: Name of Building (if any			Name of Data C	ollector:			
Address of Unit/Buildin				omnany On	Cito		
Owner/Manager Information Name:				ompanyOn	-Site		
Building Type:						_	
High-rise (9+ stories):		Elev	ator?yes	no			
Mid-rise (5-8 stories):			ator?yes				
Garden (1-4 stories):			ator?yes				
Townhouse:							
Duplex:							
Single Family House:							
Unit Sizes and Rents:							
No. Bedrooms	No. Ba	throoms	Starting Rent *	Square Feet	No. of Units	No. Vacant	
				Total			-
* Starting rent is the ma	arkot rato r	ont that w	auld be sharged if th	o unit hocamo availa	hlo today If the	huilding has subsi] idizad
units, be sure that the					•	bulluling has subsi	uizeu
Unit Amenities Provide	_			ŕ			
Central A/C:	yes	_no	Window A/C Ur	its:yes	no		
Carpeting:	yes	_no	Dishwasher:	yes	no		
Garbage disposal:	yes	_no	Washer/dryer:	yes	no		
W/D connections:	yes	_no	Other: (specify)	yes	no		
		(e.g.	, balcony, patio, priv	ate fenced yard)			
Are there differences in location (balcony vs. pa		_			n size, depending	रु upon, for exampl	le, unit

Utility Information to Calculate Gross Rent:

Does the owner accept housing choice vouchers?

	Paid or Provided B	By:	Fuel Source		
Utility	Owner	Tenant	Gas	Electric	Oil
Heat					
A/C					
Hot Water					
Cooking					
Electric					
Water/Sewer					
Garbage Pick-up					
Stove					
Refrigerator					
Building Age:	Year building bu		ear last major rehab	completed:	
Quality: Check the de	scription that best ap	oplies;			
A. Newly cor	nstructed or complet	ely renovated.			
B. Well main	tained and/or partia	lly renovated.			
C. Adequate	but some repairs ma	ay be needed soon. S	ome minor mainten	ance may be needed	l. No renovation sin
construction.					
Building Facilities:					
Playground:	yes	no l	aundry Facilities:	yesno)
Covered/Garage Parki	ng:yesno	Off-Street	Parking:	yesno	
Storage Outside Unit:	yes	no (Community Room:	yesno)
Wireless Internet Inclu					
Management and Ma					
s there on-site: Man	•	· · ·	no		
		yes			
		aff?yes			
\					i
Are there other mana	gement or maintena	nce services availabl	e, such as a security	guard or Janitoriai se	ervices?
Neighborhood/Locati	on Characteristics:				
What is the nearest pu	ublic transportation?		_ How many blocks	away?	_
What is the nearest cr				any special features	
grounds, location or nother units in the area	eighborhood that m		n Manager/Market A	Analyst compare this	
Other Information:					
How many units are a	ccessible for persons	with disabilities?	What bed	room size?	
How does the rent for	accessible units diff	er from rent charged	for regular units?		
			one disclinic 10 of		_
s occupancy limited toyesno	-				
Are there subsidized u					_
2000 the aumor 2000	-		· ——		_

Rent Reasonableness 13

____yes ____ no

Exhibit 2: Sample Form - Rent Reasonableness Data for Program Unit

(To be completed as part of the Unit Inspection)

Date of Inspection: _			Inspector's Name:		
Unit Location:					
Name of Building (if	any):				
Address of Unit/Build	ding:				
Building Type:					
High-rise (9+ stories)	:	Elevator?	yesno		
Mid-rise (5-8 stories)):	Elevator?	yesno		
Garden (1-4 stories):		Elevator?	yesno		
Townhouse:					
Duplex:					
Single Family House:					
Unit Amenities Prov	ided by Owner:				
Central A/C:	yesn	o Window	A/C Units:	_yesno	
Carpeting:	yesn	o Dishwas	her:	_yesno	
Garbage disposal:	yesn	o Washer,	dryer:	_yesno	
W/D connections:	yesn	Other: (s	specify)	_yesno	
		(e.g., ba	lcony, patio, privat	e fenced vard)	
			,,,	- · · · · · · · · · · · · · · · · · · ·	
Utility Information t	o Calculate Gros	Rent:	,,, ,,		
	o Calculate Gross Paid or Provide		Fuel Source		
Utility Information t				Electric	Oil
	Paid or Provide	d By:	Fuel Source		Oil
Utility	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C Hot Water	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C Hot Water Cooking	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C Hot Water Cooking Electric	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C Hot Water Cooking Electric Water/Sewer	Paid or Provide	d By:	Fuel Source		Oil
Utility Heat A/C Hot Water Cooking Electric Water/Sewer Garbage Pick-up	Paid or Provide	d By:	Fuel Source		Oil

Building Facilities:			
Playground:	yesno	Laundry Facilities:	yesno
Covered/Garage Parkin	ng:yesno	Off-Street Parking:	yesno
Storage Outside Unit:	yesno	Community Room:	yesno
Wireless Internet Inclu	ded:yesno		
Management and Mai	intenance Services (if app	olicable):	
Is there on-site:	Management staff?	yesno	
	Desk service?	yesno	
	Maintenance staff?	,no	
Are there other manag	gement or maintenance s		curity guard or janitorial services?
Other Information:			
Is the unit accessible for	or persons with mobility i	mpairments?	
	or persons with vision or	·	
	•	•	ible to persons with disabilities?
_			
	n the rent charged for un (balcony vs patio, inside		bathroom size, depending upon, for
Location Features:			
What is the nearest pu	blic transportation?	How	many blocks away?
	·		
What is the nearest cro	oss street to the unit?		
• •		, unit, grounds, location or nei s unit and its rents to other ur	ighborhood that might help the nits in the area:
Overall Quality Rating	:		
	A. Newly constructed of	or completely renovated.	
	B. Well maintained and	d/or partially renovated.	
		•	Some minor maintenance may be
	•	ns since construction. (Meets	•
Signature of Inspector	Date		

Exhibit 3: Sample Comparison of Program and Comparable Units

I certify that based upon information available to this office, the requested Contract Rent / ____is/ ___is not/ reasonable in accordance with program requirements.

Comparability Category	Program Unit	Comparable #1	Comparable #2	Comparable #3
Date data gathered			oomparasio n	
Address				
Rent to Owner				
Utility Allowance				
Gross Rent				
Census tract				
Neighborhood				
Unit Type				
Number of bedrooms				
Number of bathrooms				
Accessible				
Year built				
Date of Most Recent				
Remodeling				
Quality				
Amenities:				
Central Air Conditioning				
Window Air Conditioning				
Carpeting Dishwasher				
Garbage disposal				
Washer/dryer provided				
Washer/dryer hookups				
Other				
Facilities:				
Playground				
Covered/garage parking				
Off-street parking				
Laundry facility				
Storage outside the unit				
Pool				
Community room				
Day care				
Other				
Services:				
On-site management				
Security guard(s)				
Desk service				
Security system				
On-site maintenance staff				
Other				

Nearest public transportation			
Nearest shopping			
Notes:			
Name of PHA			
		_	
Signature	Title)ate

Exhibit 4: Suggested Format - Rent Reasonableness Checklist

I certify that based upon information available to this office, the requested Contract Rent / is / is not/reasonable in accordance with program requirements.

Category of Comparison	Program Unit	Comparable #1	Comparable #2	Comparable #3
Address	0			
Census tract				
Neighborhood				
Number of bedrooms				
Published FMR				
Payment Standard				
Unit type				
Number of bathrooms				
Square feet				
Location: Accessibility to				
Services (List)				
Quality				
Amenities (List)				
Facilities (List)				
Date built				
Management and				
Maintenance Services (List)				
Rent to owner				
Utility allowance				
Gross rent				
Notes on Comparability				
			L	
Name of PHA				
Signature			e	_
Date				