

**Archived:** Tuesday, October 12, 2021 12:24:33 PM

**From:** [Financial Management Center](#)

**Sent:** Tuesday, September 28, 2021 8:56:43 AM

**Subject:** Reminder 2022 Fair Market Rents and September 30 Deadline to Request Reevaluations

**Importance:** Normal

**Sensitivity:** None

---

Hello Executive Director,

Your PHA is receiving this email because your agency is located in area that received a decrease in the Fair Market Rents (FMRs) that were published in the August 6, 2021 Federal Register Notice, [Fair Market Rents for the Housing Choice Voucher Program, Moderate Rehabilitation Single Room Occupancy Program, and Other Programs Fiscal Year](#). The effective date for the 2022 FMRs is **October 1, 2021** unless HUD receives a valid request for reevaluation of specific area FMRs by **September 30, 2021**.

FMRs are a critical component of the Housing Choice Voucher (HCV) program, and PHAs have several options to adjust their local HCV program to reflect their local needs and fully utilize their HCV program funds. These include:

- **Increase HCV Payment Standard.** FMR rates are intended to represent the cost at which 40 percent of the units within the market are available (i.e., 40<sup>th</sup> percentile rent). PHAs have flexibility to adjust their local payment standard between 90 and 110 percent of FMR. Increasing payment standards to 110 percent may reduce the rent burden on families and allow voucher holders access to more rental units in your community.
- **Success Rate Payment Standards.** For PHAs that have had payments standards set at 110 percent for six months for all bedroom sizes, have a success rate of below 75 percent, and give extensions of the voucher term to at least 90 days, field offices can approve the use of Success Rate Payment Standards, per [24 CFR 982.503\(e\)](#). A success rate payment standard amount is defined as any amount between 90 and 110 percent of the higher 50<sup>th</sup> percentile rent. HUD publishes 50<sup>th</sup> percentile rents at [www.huduser.gov/portal/datasets/50per.html](http://www.huduser.gov/portal/datasets/50per.html).
- **Small Area FMR (SAFMR) Exception Areas.** PHAs in metro areas may set exception payment standards in zip code areas where the SAFMR is higher than the metro FMR at up to 110 percent of the higher SAFMRs per [Notice PIH-2018-01](#). No prior HUD approval is required; the PHA only needs to notify HUD via an email to [SAFMRs@HUD.gov](mailto:SAFMRs@HUD.gov). The Two-Year Forecasting Tool contains a link to the PHAs SAFMRs in comparison to the metro FMR to identify exception candidates (see the PUC.RB Analysis Tab).

**PHAs with FMR related concerns may request a reevaluation of its area FMR.** Those seeking a reevaluation may maintain their current FMR rates by submitting a complete reevaluation request by **September 30, 2021**. PHAs must submit required data for FMR reevaluations to HUD no later than Friday January 7, 2022. Additional details of the reevaluation requirements are provided in the [Federal Register Notice](#) referenced above.

HUD is committed to helping your PHA fully utilize HCV program funds to help address the housing needs of your community. If you need additional assistance with the HCV program options and resources, please contact your local Public Housing Field Office or visit [www.hud.gov/hcv](http://www.hud.gov/hcv).

Sincerely,

Danielle Bastarache  
Deputy Assistant Secretary  
Office of Public Housing and Housing Choice Voucher Programs