

Flat Rent Policyⁱ

The FY 2015 Appropriations Act (Act), found at Section 238 of Title II of P.L. 113-235, the Department of Housing and Urban Development Appropriations Act of 2015, maintained the FY 2014 rent increase phase-in requirements and amended the 2014 Act to require that flat rents be set at no less than the lower of:

1. 80 percent of the applicable FMR established under Section 8(c) of this Act; or
2. At the discretion of the Secretary, 80 percent of such other applicable FMR established by the Secretary that the Secretary determines more accurately reflects local market conditions and is based on an applicable market area that is geographically smaller than the applicable market area used for purposes of the applicable FMR under Section 8(c) of this Act (such as the applicable Small Area Fair Market Rent (SAFMR) or unadjusted rent).

If a PHA does not believe the 80 percent FMR is reflective of its local market conditions (flat rent setting Option 1), it may use a HUD-established FMR that is based on an area geographically smaller than the effective FMR published to determine the minimum flat rent amount (flat rent setting Option 2).

Therefore, PHAs should assess all available options when setting its flat rent rates:

- 80 percent of the FMR; or
- 80 percent of the SAFMR (or if a SAFMR is not available, 80 percent of the unadjusted rent).

For Federal Fiscal Year (FFY) 2025, beginning 10/1/2024 through 9/30/2025, the Pike County Housing Authority's Flat Rent Schedule for its Public Housing program will be determined based on 80 percent of the HUD determined Final FMR:

The below example is a comparison of the two different options for FFY 2025;

Option 1:

80% of the HUD determined Final Fair Market Rents (FMR);

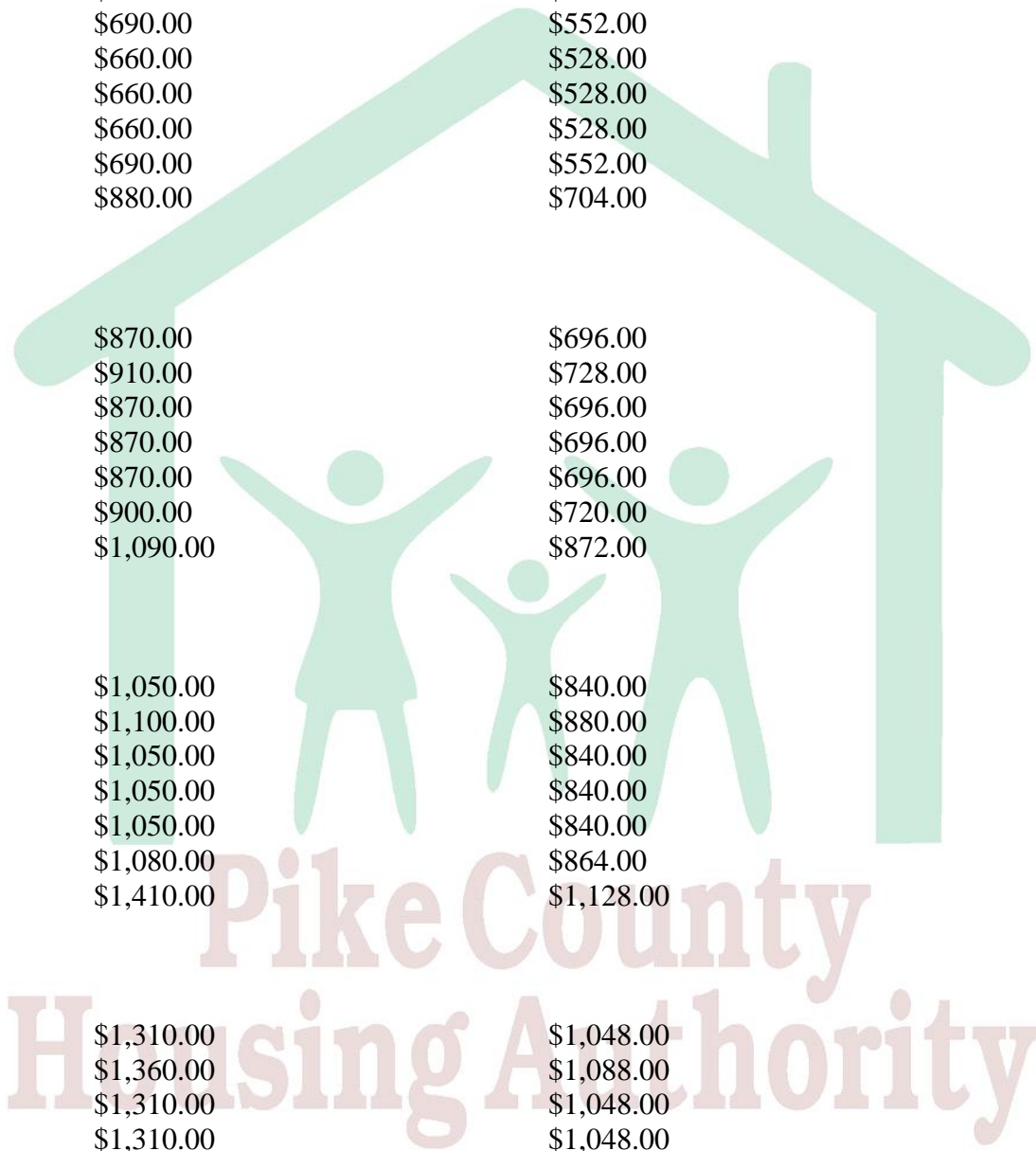
	<u>2025 FMR</u>	<u>80% FMR</u>
1BR	\$663.00	\$531.00
2BR	\$870.00	\$696.00
3BR	\$1,048.00	\$839.00
4BR	\$1,308.00	\$1,047.00

Option 2:

80% of the HUD determined Final Small Area Fair Market Rents (SAFMR);

	<u>2025 SAFMR</u>	<u>80% SAFMR</u>
1BR		
62312	\$660.00	\$528.00
62314	\$690.00	\$552.00
62340	\$660.00	\$528.00
62356	\$660.00	\$528.00
62362	\$660.00	\$528.00
62363	\$690.00	\$552.00
62366	\$880.00	\$704.00
2BR		
62312	\$870.00	\$696.00
62314	\$910.00	\$728.00
62340	\$870.00	\$696.00
62356	\$870.00	\$696.00
62362	\$870.00	\$696.00
62363	\$900.00	\$720.00
62366	\$1,090.00	\$872.00
3BR		
62312	\$1,050.00	\$840.00
62314	\$1,100.00	\$880.00
62340	\$1,050.00	\$840.00
62356	\$1,050.00	\$840.00
62362	\$1,050.00	\$840.00
62363	\$1,080.00	\$864.00
62366	\$1,410.00	\$1,128.00
4BR		
62312	\$1,310.00	\$1,048.00
62314	\$1,360.00	\$1,088.00
62340	\$1,310.00	\$1,048.00
62356	\$1,310.00	\$1,048.00
62362	\$1,310.00	\$1,048.00
62363	\$1,350.00	\$1,080.00
62366	\$1,640.00	\$1,312.00

80% of the HUD determined Final Unadjusted Rents;



As a result of the above HUD guidance, Unadjusted Rents are unable to be considered for use in determining flat rents due to the existence of the SAFMR for Pike County, Illinois.

Note: The above figures **do not** reflect the final flat rent values. All final flat rent values are determined by reducing the above 80% FMR figure by the respective Utility Allowance figure for the respective area.

Information regarding FMR, SAFMR, or Unadjusted Rents by Fiscal Year is available at the following web links:

- FMR information is available at <https://www.huduser.gov/portal/datasets/fmr.html>.
- SAFMR information is available at <https://www.huduser.gov/portal/datasets/fmr/smallarea/index.html>.
- Unadjusted Rent information is available under the Data tab at <https://www.huduser.gov/portal/datasets/fmr.html>.

ⁱ Revision 10/22/2024



Pike County
Housing Authority