

Calculation of HUD Fair Market Rents

Updated June 2026

I. Introduction

Fair Market Rents (FMRs) are operating parameters used within a variety of HUD housing assistance programs. They represent HUD’s best estimate of the 40th percentile of rents paid by recent movers within various housing markets. They are calculated annually,¹ as required by 42 USC 1437f, and based on the most recent available data.

FMRs are most notably used to establish the payment standards for the Section 8 Housing Choice Voucher (HCV) program, where public housing agencies (PHAs) may set payment standards between 90 percent and 110 percent of FMRs. FMRs are also used for a variety of other HUD programs to determine assistance payments, and contract and award amounts. These include:

- public housing flat rents, which must be at least 80 percent of the lower of FMRs, Small Area FMRs, or unadjusted FMRs,
- renewal funding inflation factors (RFIFs), which use the annual change in two-bedroom FMRs to calculate inflation factors,
- the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), which uses FMRs to set initial rents for housing assistance payment (HAP) contracts,
- Section 8 project-based rental assistance administrative fees,
- rent limits for the Emergency Solutions Grant (ESG) program and the Home Investment Partnerships Program (HOME), and
- the Continuum of Care (CoC) program, where FMRs are used to determine the maximum award amounts and the maximum rents for grantees.

Additionally, FMRs are used as inputs to other formulas, such as HUD’s calculation of Very-Low Income Limits.

The remainder of this paper discusses the various steps of the FMR methodology, beginning with the areas for which FMRs are developed (Section II). An appendix at the end of the paper (Section XI) outlines the methodological changes that have occurred since FMRs were first implemented in fiscal year (FY) 1975. Another appendix lists the acronyms used throughout the paper, in Section XII.

II. FMR Area Definitions

FMR areas are based in part on the metropolitan statistical areas (MSAs – a subtype of “[Core Based Statistical Areas](#)” or CBSAs) determined by the Office of Management and Budget (OMB). In metropolitan areas, one FMR is calculated and used for all constituent counties within the metropolitan

¹ Except, as noted in Section XI, for FY 1984.

area. For example, in FY 2027, the Abilene, Texas (TX) MSA consisted of: Callahan County, TX; Jones County, TX; and Taylor County, TX.

Counties not in metropolitan areas receive one FMR for each county, except in Virginia where independent cities have county-equivalent status. HUD groups these non-metropolitan cities with their surrounding or adjacent counties. For example, HUD groups Buena Vista city, Virginia (VA) and Lexington city, VA with Rockbridge County to form the Rockbridge County-Buena Vista city-Lexington city, VA HUD Nonmetro FMR Area.

In the six New England States (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), the primary unit of geography is the town level instead of the county, for historical reasons. These towns are equivalent to the “county subdivisions” Census summary level.

HUD occasionally deviates from the metropolitan areas delineated by OMB and creates its own area definitions within metropolitan areas, called HUD Metro FMR Areas (HMFAs), also referred to as subareas or CBSAsubs (the codes for which are called “hud_area_codes” in the publicly available datasets). For example, the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area consists of the District of Columbia (DC) and the various nearby counties of Maryland (MD) and Northern VA, but it does not include Jefferson County, West Virginia (WV) and Warren County, VA – counties which are included in the OMB definition of the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA. Since the FY 2016 FMRs, when OMB has added new counties to MSAs, HUD has created HMFAs whenever the county has its own usable data. This addresses concerns about over-large MSAs and preserves local variation in FMRs that helps facilitate housing choice. When counties have been removed from the definition of MSAs, HUD has followed suit.²

HUD has maintained the town-based metro area definitions that existed in New England before 2000 to prevent large changes in FMRs.³ However, Connecticut’s switch from counties to planning regions as their official county-equivalent geographic units required unique changes to the geography, starting with the FY 2026 FMRs.⁴ Since the planning regions did not match the boundaries of the former counties, HUD adopted OMB’s 2023 MSA definitions for Connecticut rather than maintaining its previous HMFA definitions. Also in response to 2023 MSA changes, several exception areas were created in Puerto Rico (PR) when newly designated non-metropolitan municipios would have violated the floor

² HMFAs were originally created based on a desire to prevent counties that are only marginally part of an MSA and not integral to its housing market from being added to the MSA. In making MSA exception determinations, HUD wanted to take into account whether the new county would be considered part of a “single housing market/commuting area,” as well as whether “a peripheral county had normal rent-to-income patterns and a range of housing opportunities” available using the county-level FMRs. HMFAs were created for areas with rent or income limits that would increase the OMB-defined MSA FMRs or income limits by more than five percent. However, HUD has not performed the five percent test since the FY 2006 FMRs.

³ HUD’s Program Parameters and Research Division, Office of Economic Affairs, “[Fair Market Rents: Introductory Overview](#)” p. 4.

⁴ This change was first captured in the ACS 2023 data, published in 2025.

on FMR declines. Any exception areas will disappear over time as their FMRs converge with those of their parent MSA.

CBSASUB Codes

All areas have a HUD-specific 16-character CBSAsub code. There are six general constructs of this value:⁵

1. METROCCCCCMCCCC where METRO indicates a metro area and the CCCCC indicates the OMB assigned CBSA area code. The middle “M” and the second “CCCCC” are included to make the code conform with the other CBSAsub values discussed below.
2. METROCCCCCMMOOOO where again METRO indicates a metro area and the CCCCC indicates the OMB assigned CBSA area code. The “MM” indicates that the area was formed as a part of prior (1990s) vintage metropolitan area and OOOO is the 4-digit metro area code from the prior vintage (typically its old MSA code).
3. METROCCCCCNSSCCC where again METRO indicates a metro area and the CCCCC indicates the OMB assigned CBSA area code. The “N” indicates that this is a former non-metropolitan county, where SS is the 2-digit state Federal Information Processing Standard (FIPS) code and CCC is the 3-digit county code.
4. NCNTYSSCCCNSSCCC where NCNTY indicates that the area is a non-metropolitan county, and the SS is the 2-digit state FIPS code and the CCC is the 3-digit county code. The “N,” “SS,” and “CCC” at the end are included to make the code conform with the CBSAsub values discussed above.
5. METROCCCCCMSSCCC where METRO indicates a metro area and the CCCCC indicates the OMB assigned CBSA area code. The middle “M” indicates metro, the SS is the 2-digit state FIPS code, and the CCC is the 3-digit county code.
6. METROCCCCCMQQQQQ where METRO indicates a metro area and the CCCCC indicates the OMB assigned CBSA area code. The middle “M” indicates metro, and QQQQQ is the 5-digit metro code of its old MSA.⁶

Westchester County, NY

Starting in FY 2025 FMRs, HUD began adding Westchester County, New York (NY) to the New York, NY HUD Metro FMR Area. In prior years, a separate FMR was calculated for Westchester County, but its data was also used when computing the FMR for the New York, NY HUD Metro Area. Westchester County continues to receive a separate estimate for median family income and income limits.

⁵ The CBSAsub code constructs 2, 3, 5, and 6 indicate areas that are currently part of an OMB-delineated MSA but are being treated as a separate HMFA for the purposes of calculating FMRs, as well as income limits and median family incomes.

⁶ These are the CBSAsub code constructs used today, although it is possible that there may have been some past inconsistencies. For example, with Case 6, 'QQQQQ' should be the old code when a CBSA changes its name and code. However, with multiple rounds of CBSA changes, there has not been a rule about how long to keep the old code.

Sullivan City portion of Crawford County, Missouri

A 1987 statute⁷ requires the Sullivan City portion of Crawford County, Missouri (MO) to be included in the St. Louis MSA. HUD includes the Sullivan City portion in the St. Louis, MO-IL HUD Metro FMR Area. Note the Census Bureau does not appear to follow this practice in its statistics for the St. Louis MSA.

III. Base Rents

ACS Adjusted Standard Quality Gross Rents

Each year, HUD procures special tabulations of the American Community Survey (ACS) from the Census Bureau.⁸ Special tabulations are required for several reasons. For one, FMRs are used to rent “standard quality” units – those with cash rent; those sited on 10 acres or less; with full plumbing; with a complete kitchen; and meals not included in rent.⁹

Units not meeting these “standard quality” criteria are excluded from the ACS universe. Additionally, because voucher holders rent their units on the private rental market, HUD attempts to remove publicly assisted and other non-market rate units from the ACS universe. HUD calculates the 75th percentile rent paid by public housing units by HUD region from the Office of Public and Indian Housing (PIH) Information Center (PIC) and passes these floor values to the Census Bureau.¹⁰ Units with cash rent below these public housing cutoff rents are eliminated from the ACS universe. Once these adjustments have been made, ACS staff calculate 40th percentile¹¹ “adjusted standard quality” (ASQ) gross rents.

Base Rent Selection

5-year ACS estimates of two-bedroom ASQ gross rents calculated for each FMR area are used as the basis for FMRs. Base rents are built on two-bedroom units because they are generally the most common rental unit size and, therefore, the most reliable to survey and analyze. There is a 3-year lag in the current fiscal year FMRs and the “end year” of the ACS estimates used in the calculation. For example, in FY 2027, the FMRs were calculated using ACS₂₀₂₄ data.

HUD performs two statistical quality checks on each ACS base rent estimate to determine whether to use it in calculating FMRs. First, the estimate must have a margin of error that is less than half (50 percent) of the estimate itself. Dividing the margin of error by the estimate produces the margin of error

⁷ Treasury, Postal Service and General Government Appropriations Act, 1988, [Pub. L. No. 100-202, § 530, 101 Stat. 1329-419](#) (1987).

⁸ The source of the data for Puerto Rico (PR) is the Puerto Rico Community Survey (PRCS). It is compiled by the Census Bureau, along with the ACS data, as part of HUD’s special tabulations.

⁹ Prior to the special tabulations for the FY 2026 FMRs, there was an additional standard quality element “not constructed within the last two years.” This was eliminated as a result of the promulgation of the [final rule](#) for implementing sections 102, 103, and 104 of the Housing Opportunity Through Modernization Act (HOTMA).

¹⁰ The selection of the 75th percentile of public housing rents was based on research summarized in [“FMR Adjustments for Non-Market Units.”](#)

¹¹ FMRs were set at the 45th percentile from 1983 to 1994. After 1994, HUD set FMRs at the 40th percentile in most areas. The relevant regulation is [CFR 888.113](#).

ratio. Second, the estimate must be produced from at least 100 survey cases. HUD does not receive the actual counts of survey cases, but rather an indicator variable. The table below shows the number of survey cases that corresponds to each of the six possible indicator values. To have at least 100 cases, the indicator value for an estimate must be 4 or greater.

Indicator Value	Number of Cases
1	0 – 49 unweighted cases
2	50 – 74 unweighted cases
3	75 – 99 unweighted cases
4	100 – 149 unweighted cases
5	150 – 199 unweighted cases
6	200 or more unweighted cases

For example, in FY 2027, the Baltimore-Columbia-Towson, MD MSA had a 5-year ASQ two-bedroom 40th percentile rent estimate of \$1,556, with a margin of error of \$17 and a count indicator of 6. Therefore, \$1,556 is the base rent. See [here](#).

If a base rent estimate does not meet both these criteria, HUD additionally examines the past two ACS five-year estimates alongside the current five-year estimate. HUD uses the margin of error test on each estimate as described above, but *not* the survey case count test. If two or three of the estimates pass the margin of error test, HUD uses their average as the current fiscal year base rent. Each past year's estimate is inflated using the gross rent Consumer Price Index (CPI) adjustment factor (described below) prior to taking the average.

For example, in FY 2027, the Oldham County, TX HMFA had a 5-year 2024 ACS ASQ two-bedroom 40th percentile rent estimate of \$880, with a margin of error of \$276 and a count indicator of 1. The count indicator is too low, so HUD examines the 2022 and 2023 ACS estimates and their margins of error (but not their count indicators). Oldham County had an estimate of \$913 in 2022 and \$896 in 2023. Each of those estimates had a margin of error that is less than half of the estimate, so HUD uses the average of the three estimates (first inflating the prior years' estimates to 2024 dollars) as the base rent. For Oldham, County, that is \$958. See [here](#).

If an area's past estimates fail to meet the margin of error test in two or three years, the area is given the base rent for its larger containing geographic area. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), and State Metropolitan Portion; for non-metropolitan areas, the order of geographies examined is: FMR Area, and State Non-Metropolitan Portion.

For example, in FY 2027, Presidio County, TX had a 5-year 2024 ACS ASQ two-bedroom 40th percentile rent estimate of \$601. However, the margin of error was too high and the count indicator was too low for the estimate to be used alone. The area also did not have publication data for ACS₂₀₂₃ or ACS₂₀₂₂, so an average of the 5-year estimates could not be used. Therefore, HUD uses the ACS₂₀₂₄ 5-year ASQ rent estimate for Presidio County’s larger containing area – the nonmetropolitan portion of Texas (\$913). See [here](#).

The U.S. Island Territories

The U.S. Island Territories (hereinafter referred to as the Islands) include American Samoa (AS), Guam (GU), Northern Mariana Islands (MP), and the Virgin Islands (VI): St. Croix, St. John, and St. Thomas.¹² Unlike the FMRs for other areas, the FMRs for the Islands are based on special tabulations of [decennial island area census](#) data. Although their data source differs, the filters used for the special tabulation requests are identical for ACS and decennial census data: 40th percentile ASQ gross rents, where adjustments are made to exclude units below the 75th percentile rent paid by public housing units and units not of standard quality, as described above, with the same data collected for recent movers.

However, not all the calculation steps for the Islands are the same as for other FMR areas. The base rent calculation is an example of that. While base rents for other FMRs are simply based on the 40th percentile ASQ gross rents (with the appropriate source selection made based on statistical quality), the base rent for each Island Territory (Island) is the larger of the 40th percentile ASQ gross rents or the 40th percentile ASQ gross rents for recent movers. For example, step 1 of the FMR calculation for [St. Croix Island, VI](#) selects the 40th percentile ASQ gross rents for recent movers as the initial base rent, as it is higher than the 40th percentile ASQ gross rents. Note that incorporating recent mover rents here means that the “recent mover adjustment factor” discussed in Section IV is inapplicable for the Islands.

Once the base rent is selected, it is still in decennial census year dollars (which for FY 2027 is 2020 dollars). Therefore, each Island’s base rent needs to be inflated to the most recent year of ACS data, which for FY 2027 is 2024 dollars. This is accomplished by multiplying the base rent by:

$$\frac{2024 \text{ public 1-year median gross rents for 50th} \\ \text{percentile specified renters for the U.S. (excluding PR)}^{13}}{2020 \text{ experimental 1-year median gross rents for 50th} \\ \text{percentile specified renters for the U.S. (excluding PR)}^{14}}$$

¹² Note that the calculation of FMRs for Puerto Rico (PR) follows the same methodology as the majority of FMR areas, rather than the slightly altered methodology associated with the Islands because of the availability of PRCS data.

¹³ [Census Bureau table B25064](#).

¹⁴ The Census Bureau did not release 2020 ACS 1-year data due to data quality issues stemming from COVID-related interruptions in data collection. As a result, [2020 1-year experimental data](#) is used, specifically [Table XK202511](#) which provides national median gross rent estimate.

For FY 2027, this ratio is \$1,487/\$1,129. The resulting base rent is rounded to the nearest whole dollar value. Continuing the [St. Croix Island, VI](#) example from above, step 2 shows the base rent (from the 40th percentile ASQ gross rents for recent movers) inflated to 2024 using the ratio described here.

Not all the remaining steps detailed below will apply to the Islands. A summary of the calculations that will be made are noted below, and an additional note is made in each section as to their applicability (or lack thereof) for the Islands. The additional FMR methodology calculations that also apply to the Islands are:

1. the gross rent inflation adjustment factor, which updates the 2024 value to 2025, as described in Section V,
2. the trend factor adjustment, which brings the values into FY 2027, as described in Section VI,
3. the bedroom ratio applications, which develops FMRs for other bedroom sizes, as discussed in Section IX,
4. the limits on year-to-year declines, which prevents FMRs from declining by more than 10 percent from year to year, as discussed in Section X.

Additionally, the Islands may also submit ad hoc rent surveys (Section VII).

IV. Recent Mover Adjustment Factor

Federal regulations require HUD to calculate FMRs using rents paid by “recent movers.” This helps to ensure that FMRs reflect current market conditions as much as possible, excluding any discounts given to in-place tenants, and avoids biasing the FMRs low from the impact of rent control laws. HUD calculates a “recent mover adjustment” factor by comparing a 1-year 40th percentile recent mover to the 5-year 40th percentile ASQ gross rent. If either the recent mover or non-recent mover rent estimates do not meet the quality checks, HUD uses the estimate for a larger geography. For metropolitan areas, the order of geographies examined is, as with base rents: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. For recent mover adjustments, at each level of geography, HUD examines both the two-bedroom specific recent mover rents and the recent mover gross rent for units of all bedroom sizes.

Since the advent of the ACS, HUD has defined recent movers as those who have moved in the current or preceding year of the ACS survey, so for ACS₂₀₂₄, this would be 2023 or 2024. However, starting in FY 2024, HUD elected to first examine single-year recent mover rents using the same criteria when calculating the recent mover adjustment factor. The current recent mover factor hierarchy is shown below.

Recent Mover Hierarchy:

- 1-year two-bedroom recent mover factor for the local area
- 1-year all-bedroom recent mover factor for the local area

- 2-year two-bedroom recent mover factor for the local area
- 2-year all-bedroom recent mover factor for the local area
- 1-year two-bedroom recent mover factor for the parent metro
- 1-year all-bedroom recent mover factor for the parent metro
- 2-year two-bedroom recent mover factor for the parent metro
- 2-year all-bedroom recent mover factor for the parent metro
- 2-year two-bedroom recent mover factor for the parent state metro/non-metro portion
- 2-year all-bedroom recent mover factor for the parent metro/non-metro portion
- 2-year two-bedroom recent mover factor for the parent state

For example, in FY 2027, the St. George, Utah (UT) MSA had a 5-year 40th percentile ASQ gross rent estimate of \$1,336 for two-bedroom units. This estimate passes the margin of error and sample size tests, so \$1,336 is used as the base rent estimate. For the recent mover adjustment factor, however, neither the St. George, UT MSA's 1-year ACS 1-year recent mover estimate for two-bedroom units or the 1-year ACS 1-year recent mover estimate for all bedroom sizes meets the sample size test. Next, St. George, UT MSA's 1-year ACS 2-year recent mover estimates are examined, first for two bedrooms and then for all bedroom size units. Neither of these estimates meets the sample size test. Therefore the 1-year ACS 2-year recent mover estimate for two-bedroom units in the next largest geography, UT metropolitan portion for two-bedrooms, is examined and that estimate of \$1,584 is found to pass both tests. The recent mover adjustment factor for the St. George, UT MSA is therefore calculated as a ratio of the UT metropolitan portion's 1-year ACS 2-year recent mover 40th percentile gross rent estimate for two-bedroom units (\$1,584) divided by the UT metropolitan portion's 5-year 40th percentile gross rent estimate for two-bedroom units (\$1,336). See [here](#).

If a metropolitan area crosses State lines and does not use a local-level recent mover adjustment factor, the area uses the population-weighted average of State metropolitan recent mover adjustment factors for the relevant States where the State metropolitan recent mover factors are statistically reliable.

For example, in FY 2027, the Cape Girardeau, MO-IL MSA had a 5-year 40th percentile ASQ gross rent estimate of \$798 for a two-bedroom unit. This estimate passes the margin of error and sample size tests, so \$798 is used as the base rent estimate. For the recent mover adjustment factor, however, neither Cape Girardeau's 1-year ACS 1-year or 2-year estimates for two-bedroom units nor the estimates for all bedroom size units meets the sample size test. Since the Cape Girardeau, MO-IL MSA does not have a useable local level recent mover factor and crosses state lines, a population weighted average of MO and Illinois' (IL's) state metropolitan portion recent mover factors are used instead. See [here](#). For FY 2027, there are no instances of statewide statistically unreliable data in cases where a population-weighted average of State metropolitan recent mover adjustment factors is required.

However, in the FY 2025 FMRs, the [Sioux City, IA-NE-SD MSA](#) recent mover factor is based on only the Iowa and Nebraska data; the South Dakota data is excluded because its sample size is too small.

As discussed in the Base Rents section (Section III), recent mover rents are handled differently for the Islands. The adjustment factor discussed here is not applicable, as the Islands' base rent is determined using the higher of the 40th percentile ASQ gross rent or the 40th percentile ASQ gross rent for recent movers.

V. Gross Rent Inflation Adjustment Factor

The recent-mover rent estimates derived from the ACS are "as of" the most recent survey year—2024 for FY 2027. Because FMRs must reflect current market conditions, HUD adjusts these estimates forward by one year using a gross rent inflation adjustment factor that captures rent growth from 2024 to 2025. Rents in the ACS (and the FMRs themselves) are gross rents—they include both shelter costs and tenant-paid utilities—so the adjustment factor is built to capture inflation in both. This step is applied uniformly to all areas, including the Islands.

Conceptually, the gross rent inflation factor has two building blocks: a shelter rent inflation factor and a utility inflation factor. HUD develops the shelter rent component from two independent measures—private rental-market data and the Consumer Price Index (CPI)—and develops a single utility component that is shared across both. The two shelter measures are each combined with the utility component to yield two gross rent inflation factors, which are then averaged using empirically determined weights. The subsections below describe the shelter rent factors first, then the utility factor, and finally how they are combined into the gross rent inflation factor.

HUD introduced two notable changes in recent years. Beginning in FY 2023, and expanded starting in FY 2024, HUD augmented its long-standing CPI-based methodology with data from private rental companies. Starting in FY 2027, HUD also began incorporating U.S. Energy Information Administration (EIA) survey data to supplement Bureau of Labor Statistics (BLS) information, because BLS discontinued its CPI fuels and utilities data at the metropolitan area and regional levels effective January 2025.¹⁵

1. Shelter Rent Inflation Factors

HUD calculates two measures of shelter rent inflation: one based on the year-to-year change in rent reported by private data providers, and one based on the year-to-year change in the CPI rent of primary residence series. HUD uses both sources in an effort to measure recent-mover rent inflation as fully and accurately as possible. Research has shown that private data often provide a timelier signal of recent-mover rent inflation than the CPI, which reflects the rents of both in-place and newly arriving tenants. The CPI, however, offers offsetting advantages: it draws on a representative sample of all housing units, measures the same units over time (a "repeat rent" sample), and adjusts for the aging of the housing stock.

¹⁵ See "SAH2" discontinuation [here](#).

1.1 CPI-Based Shelter Rent

The CPI Housing Survey is conducted monthly by the BLS and released each year in early February, covering the prior year. Its residential rent component is based on a sample of about 50,000 rental units in urban areas nationwide. HUD uses the local metropolitan-area CPI rent of primary residence for the 23 areas where such data exist, and the regional CPI rent for areas without a local index. For Puerto Rico FMR areas, HUD uses CPI data collected locally by the Puerto Rico Department of Labor and Human Resources (DTRH).

The CPI rent of primary residence index (BLS series SEHA) mixes units that pay utilities separately with units whose rent includes utilities, so it cannot be used directly as a shelter rent measure. HUD therefore decomposes it to remove the influence of utilities. Beginning from the identity that the observed change in rent of primary residence (**RPR**) is a weighted average of the shelter rent change (**SR**) and the gross rent change (**GR**):

$$RPR = (1 - GRw) * SR + GRw * GR$$

and substituting the definition of the gross rent change (see Section 3), this expands to:

$$RPR = (1 - GRw) * SR + GRw * [(1 - Uw) * SR + Uw * U]$$

Solving for the shelter rent change yields:

$$SR = [RPR - (GRw \times Uw \times U)] / [1 - (GRw \times Uw)]$$

where:

RPR is the change in contract rents from year to year (known, from BLS CPI series "Rent of Primary Residence," code SEHA);

SR is the change in CPI shelter rents from year to year (the quantity being solved for);

GR is the change in gross rents from year to year;

GRw is the fraction of renters who pay gross rents—i.e., whose rent includes utilities (known from a special BLS tabulation of the CPI Housing Survey provided to HUD each year, used as a proxy for the share of units with utilities included in rent);

U is the change in utility costs from year to year (the utility inflation factor developed in Section 2); and

Uw is the fraction of gross rents attributable to utilities (the ACS-based utility share described in Section 2).

CBSAs within Size Class A PSUs are assigned the **GRw** proportion for their respective PSU; all other CBSAs are assigned the proportion for the region of their PSU, estimated by aggregating the Size Class B and C PSUs in that region.

1.2 Private-Source Shelter Rent

HUD obtains measures of contract rent from six possible commercial sources ("private data"): the Apartment List Rent Estimate of median rent, the CoStar Group average effective rent, the Cotality

(formerly CoreLogic, Inc.) single-family combined three-bedroom median rent, the Moody's Analytics CRE (formerly REIS) average market rent, the RealPage (formerly Axiometrics) average effective rent per unit, and the Zillow Observed Rent Index. For each source HUD first takes the annual average of the statistic and then its year-to-year change, and then takes the mean of the changes across all sources available for an area.

The six sources differ in geographic coverage. RealPage and CoStar each cover roughly 390-400 CBSAs (including metropolitan divisions) with consistent quarterly data, published by CBSA metropolitan and micropolitan codes. Moody's Analytics CRE data is available at the MSA level, drawn from more than 8 million commercial properties nationwide. Cotality covers most of the U.S. market at both the CBSA and ZIP Code levels. Apartment List covers roughly 10 percent of U.S. rentals at the national, state, county, city, and metropolitan levels. Zillow covers all major metropolitan and micropolitan areas (617 CBSAs), providing a crosswalk that maps its regions to CBSAs. HUD aligns each source's geography to CBSA subareas (CBSAsubs) before incorporating it.

HUD uses a local measure of private rent inflation for markets covered by at least three of the six sources. For FY 2027, 697 of 2,605 CBSAsubs met this threshold, covering approximately 86.3 percent of the U.S. population. For markets not covered by at least three sources, HUD uses a rental-unit-weighted regional average of private inflation factors for the Census region in which the area is located, mirroring the construction of the CPI regional Size Class B/C factors and excluding the Size Class A metro areas. For example, if a region contained non-Size Class A areas X, Y, and Z with 4,000, 3,000, and 1,000 rental units and private inflation factors of 10, 5, and 1 percent respectively, the regional factor would be $10\% \times 0.5 + 5\% \times 0.375 + 1\% \times 0.125 = 7$ percent. This ensures that smaller areas not directly covered by private sources still reflect current rental market conditions.

Unlike the CPI, HUD assumes that private rent changes represent units with separate utility bills—that is, that the private data already constitute shelter rents. HUD therefore takes the average of all available private rent changes for an area directly as the private shelter rent change (SR), with no further decomposition required.

2. Utility Inflation Factor

Both shelter rent inflation measures are combined with a single utility inflation factor, new for FY 2027. This factor is a weighted-average composite of four household fuel and utility components—electricity, natural gas, fuel oil, and water/sewer/trash—and is designed to replicate the CPI-based utility index for each of the 23 self-representing Primary Sampling Units (PSUs) in the CPI sample, as well as the four Class B/C Census regions. This design preserves the geography of the prior CPI-based approach, so the gross rent adjustment factor's geography is unchanged. The switch was necessitated by the BLS discontinuation of CPI fuels and utilities data at the metropolitan area and regional levels effective January 2025.

The composite draws residential electricity, natural gas, and fuel oil prices from EIA surveys, and residential water, sewer, and trash collection cost changes from the BLS. EIA surveys suppliers of these fuels and utilities—including electric utilities, energy service providers, and distribution companies—

collecting retail sales and revenue across end-use sectors. Most EIA utility data is available for all 50 states, the District of Columbia, Puerto Rico, American Samoa, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands; where state-level data is unavailable, national average data is used.

Because EIA data is primarily available at the state level, HUD assigns state-level prices to each PSU based on the state in which the PSU is located. For PSUs that span multiple states, HUD assigns a population-weighted average of the relevant state-level prices, using the population of each county within the PSU as weights. For example, the Washington-Arlington-Alexandria, DC-VA-MD-WV PSU spans three states and the District of Columbia and includes 25 counties; HUD calculates a weighted average price for each component from the aggregated county populations. For the Class B/C Census regions, HUD computes a population-weighted average price across all non-self-representing PSU areas, consistent with the BLS approach to the regional CPI for Class B/C areas.

Once each PSU and Census region is assigned utility prices, HUD calculates the year-over-year change in each of the four components and combines them into composite utility inflation factors using national CPI-U relative importance weights from the household fuels and utilities (SAH2) series. These composite utility inflation factors are also used for the trend factor forecasts described in Section VI.

3. Gross Rent Inflation Factor

HUD combines each shelter rent inflation measure with the utility inflation factor to produce a gross rent inflation factor, taking a weighted average of the shelter and utility components using the utility share of gross rent (U_w) from the ACS as the weight. This yields two gross rent inflation factors for each area—one based on the private shelter rent measure and one based on the CPI measure—which are then averaged.

3.1 Combining Shelter and Utility Components

To produce a gross rent inflation factor, HUD calculates a weighted average of the private shelter rent change (**SR**) and the utility change (**U**):

$$GR = (1 - U_w) * SR + U_w * U$$

For the private rent inflation factor, **SR** is the average of the private rent inflation factors, while for the CPI, it is the decomposed shelter rent inflation factor previously described.

4. Computing a Weighted Average Private and CPI Inflation Factor

Upon calculating both a CPI and private gross rent inflation factor for each area, HUD combines the two using a weighting scheme such that the weighted national average of the CPI and private gross rent inflation factors equal the change in the ACS national recent mover gross rents. To derive the FY 2027 weights, HUD compared the national average private rent inflation rates and the CPI rent of primary residence to the national average of recent mover rents in the ACS from 2017 to 2024.

4.1 Determining the Weights

HUD weights the private data averages and overall CPI rent of primary residence in such a way as to

minimize the root mean squared error (RMSE) between the resulting average and the ACS recent mover rents (55 percent private and 45 percent CPI). Comparing the average private rent change to the ACS produces an RMSE (a measure of accuracy) of 2.68 percent. No other combination of weights produces a lower RMSE. HUD updates the weights each year by adding the most recent year of ACS recent mover rents, private rent data, and CPI rent of primary residence to the analysis.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
ACS National Recent Mover Change	5.24%	4.06%	7.34%	7.34%	11.01%	7.70%	5.95%
Average National Private Rent Change	3.34%	3.62%	1.11%	7.59%	10.98%	4.67%	2.45%
CPI Rent of Primary Residence (RPR)	3.62%	3.71%	3.12%	2.4%	6.03%	7.95%	5.11%
Weighted Avg of CPI RPR and Private Change	3.46%	3.66%	2.01%	5.2%	8.77%	6.14%	3.64%
Squared Error between Weighted Change and ACS	3.00E-04	2.00E-05	3.00E-03	5.00E-04	5.00E-04	2.00E-04	5.00E-04

	FY 2027
RMSE of Private Change and ACS	2.65%

As an example, Step 3 of the page [here](#) shows the calculation of the gross rent inflation adjustment factor for the Altoona, PA MSA. The area has a CPI shelter rent change from 2024 to 2025 of 1.0549. It has a private shelter rent change of 1.0549. HUD combines each shelter rent change with the same utility change of 1.06781. This produces a private gross rent inflation factor of 1.0607 and a CPI gross rent inflation factor of 1.05665. Note that the private shelter rent factor is specific to the Altoona MSA but the CPI shelter rent factor is for the Midwest region as the MSA is not a Class A PSU covered by the CPI.

The two gross rent inflation factors are average together to produce the final gross rent inflation.

3. Inflation Adjustment Factor Calculation

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since Altoona, PA MSA is covered by at least 3 private data sources, a local-based private rent factor is applied. Furthermore, since Altoona, PA MSA is not covered by a local-CPI rent area, a Region-based CPI gross rent factor is applied.

Components of 2025 Inflation Adjustment Factor for Altoona, PA MSA					
	R ₂₀₂₅ = Shelter Rent Change, 2024 to 2025	U ₂₀₂₅ = EIA/CPI Annual Utilities Change 2024 to 2025	C ₂₀₂₅ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R ₂₀₂₅ × (1 - C ₂₀₂₅) + U ₂₀₂₅ × C ₂₀₂₅)	Inflation Factor Type
P ₂₀₂₅ = Private Inflation Factor	1.0582	1.06781	0.260674	(1.0582 × 0.73933) + (1.06781 × 0.26067) = 1.0607	Local
CPI ₂₀₂₅ = CPI Inflation Factor	1.0549	1.06781	0.135398	(1.0549 × 0.8646) + (1.06781 × 0.1354) = 1.05665	Region

The 2025 Gross Rent Inflation Factor for Altoona, PA MSA is computed as follows:

$$\begin{aligned}
 &= \text{CPI}_{2025} \times (1 - \text{W}_{2025}) + \text{P}_{2025} \times \text{W}_{2025} \\
 &= (1.05665 \times 0.4475) + (1.0607 \times 0.5525) \\
 &= 0.472849 + 0.586037 \\
 &= \mathbf{1.05889}
 \end{aligned}$$

VI. Trend Factor Adjustment

The “trend factor” is used to make the dollar values of the FMRs “as of” the fiscal year for which they are effective. It is applied to all areas, including the Islands.

HUD calculates trend factors by forecasting values of the CPI rent series, as well as the CPI and EIA utility data, described above, for each local and regional CPI area.¹⁶ These forecasts are then combined using ACS-based weights to produce a gross rent trend factor.

Since 2016, HUD has used a national model (National Input Model or NIM) to estimate these rent and utility forecasts. The models are ARIMA regressions which use national-level independent variables. HUD generally pulls the national independent variables through the Federal Reserve Bank of St. Louis Database (FRED).¹⁷ The variables used include:

- Rent model inputs: Bureau of Economic Analysis (BEA) National Residential Fixed Investment (PRFI) and BLS Civilian Employment (CE16OV).
- Utility model inputs: spot price of West Texas Intermediate crude oil, bituminous coal prices (per short ton), Henry Hub natural gas prices (per million BTU), and CPI-U-SA.

The forecasted values of these variables come from the Economic Assumptions of the President’s Budget. The full set of assumptions are not publicly released and are developed internally by OMB for

¹⁶ Excluding the Riverside–San Bernardino–Ontario, CA MSA due to a lack of historical data.

¹⁷ For example, the Private Residential Fixed Investment (PRFI) data from the Bureau of Economic Analysis (BEA) is located [here](#).

use across the Federal government for budget formulation. However, OMB occasionally publishes abbreviated versions of the assumptions.¹⁸

Beginning in FY 2020, HUD expanded the methodology to incorporate local forecasts for CPI areas and Class B/C Regions where available (Local Input Model or LIM). Data used in the forecasts includes:

- Local rent model inputs: CBSA-level housing permit data published by Census Bureau and BLS State & Area employment data.
- Local utility model inputs: EIA state electricity price data.

In addition, HUD created a pure time-series model (that includes no exogenous predictors) that simply projects rent/utility growth based on historical patterns (Pure Time Series – PTS).

The forecasted values of these variables are determined by shifting the data forward. For each CPI area or region, HUD selected the model (national, local, or pure time-series) that demonstrated the lowest forecast error during prior validation.¹⁹ That model's forecasted rent and utility data then feed into the combined gross rent trend factor applied to update FMRs to the fiscal year.

HUD has held the type of model selected (NIM, LIM, or PTS) constant since FY 2020. HUD originally intended to reassess model selections every 5 years, starting with the calculation of the FY 2025 FMRs. However, HUD feels that the high degree of volatility in rental markets from 2020-2023, as well as more recent price volatility, would not result in the best long-term model selection. Therefore, model reevaluation has been temporarily postponed. The same models were used for FY 2026 and will continue to be used for FY 2027. HUD may update the functional form of the model during future evaluations if it improves the performance of the model for a specific geography. In these cases, HUD will ensure the change to the functional form is not due to overfitting the model or outliers. HUD updates the gross rent forecast models annually with current data for inputs.

VII. Areas With Ad Hoc Rent Surveys

HUD allows for the submission of rental survey data by outside parties. To be accepted, surveys need to have sufficient cases to support the rent estimate. Historically, at least 100 responses have been considered sufficient. However, this policy was adjusted for very small area surveys in FY 2026, specifically for the San Benito survey. The updated policy allows surveys from very small areas to be accepted with less than 100 responses if (1) the response rate (number of responses relative to the number of units that could potentially be respondents) is consistent with the response rates for larger areas and (2) the resulting rent data is supported by outside research.

¹⁸ See, for example, Table 2 of OMB's [Technical Supplement to the 2026 Budget](#), which shows some of the economic assumptions.

¹⁹ The June 5, 2019 Federal Register notice ([84 FR 26141](#)) describes the model selection process.

If the submitted data is more current than the ACS, HUD uses it in place of the ACS rent estimates. Based on the date that the survey was conducted, HUD multiplies the survey rent by the appropriate gross rent inflation factor and/or trend factor to produce an FMR as of the current FY.

Because surveys are “as of” a specific month, HUD converts the monthly dollars to an annual estimate by multiplying the survey estimate by the ratio of the annual CPI gross rent to the monthly CPI gross rent for the month of the survey. Prior to FY 2023, this adjustment used CPI-U, to mimic the inflation adjustment of respondent values in the ACS. Starting with FY 2023, HUD began using gross rent CPI values for surveys from 2021 and later to better match the inflation adjustment in the rest of the FMR process.

If the survey is “as of” the current year, then HUD multiplies the survey estimate by a prorated trend factor. The proration is the number of months needed to trend the survey estimate to the midpoint of the FY of the FMR (March).

For example, in FY 2027 HUD used an ad hoc survey to calculate FMRs for [Hood River County, Oregon \(OR\)](#).

VIII. State Minimum Comparison

All of the above steps – multiplying the base rent by the recent mover factor, the gross rent inflation adjustment factor, and the trend factor, rounded to the nearest dollar – produce a preliminary two-bedroom FMR for areas other than the Islands.²⁰ Next, for each State, HUD calculates a “State Minimum” FMR by finding the median of non-metropolitan area county FMRs, weighted by population. HUD also calculates a National Median that is calculated in the same manner. The State Minimum used for each area is the lesser of these two values. This State Minimum serves as a floor for FMRs. For multi-state metropolitan areas, the State Minimum is the greater of the relevant State Minima. This applies even if the FMR area is a subarea that does not cross State lines; the State Minima for the States included in the larger metropolitan statistical area are checked.

For example, in FY 2027, Franklin County, Mississippi (MS) (a non-metropolitan county) was calculated as having a preliminary two-bedroom FMR of \$419 based on the calculations and adjustments described in previous steps. This is lower than both the MS State Non-metropolitan Median FMR of \$905 and the U.S. Non-metropolitan Median FMR of \$1,104, so the lower of the two is used to set the two-bedroom FMR for Franklin County, MS at \$905. See [here](#).

IX. Bedroom Ratios Application

All of the previous calculation steps produce a preliminary FMR for a two-bedroom unit size. To calculate FMRs for units of other bedroom sizes, HUD applies “bedroom ratios.”

²⁰ This calculation is not applicable to the Islands.

Bedroom ratios are calculated by first evaluating the estimates of gross rent for each unit size from the five-year ACS for each of the past three ACS releases. If the margin of error is less than half (50 percent) of the estimate, the ratio of the zero-, one-, three-, or four-bedroom rent to the two-bedroom rent is calculated. If this ratio exists in two or three of the past three ACS releases, the average is used as the preliminary bedroom ratio. If not, the ratios for the next higher level of geography are calculated and used as a proxy for the area-specific bedroom ratio.

The bedroom ratios for the Islands are calculated using the decennial census data. The 40th percentile two-bedroom ASQ gross rents are compared to the appropriate alternative bedroom size (zero-, one-, three-, or four-bedroom 40th percentile ASQ gross rents, creating a ratio where the alternative bedroom size rent is the numerator, and the two-bedroom rent is the denominator. For example, the initial [three-bedroom ratio for St. John, VI](#) is:

$$\frac{40th\ percentile\ ASQ\ gross\ rent\ for\ three-bedroom\ units}{40th\ percentile\ ASQ\ gross\ rent\ for\ two-bedroom\ units}$$

The remaining bedroom ratio application steps apply to all areas equally.

The ratios are capped and floored at amounts representing the 10th and 90th percentile ratios of the distribution of all bedroom size ratios nationwide. In the case of [three-bedroom ratio for St. John, VI](#) the National Floor becomes the updated three-bedroom ratio because it is higher than the initial three-bedroom ratio for St. John.

Following the application of caps and floors, the three-bedroom ratio is increased by 8.7 percent and the four-bedroom ratio is increased by 7.7 percent, based on the general consensus that larger bedroom units are especially difficult to obtain for voucher holders. The FMRs are then rounded to the nearest \$1. The [three-bedroom ratio for Waldo County, Maine \(ME\)](#) provides an example of the 8.7 percent three-bedroom ratio bonus.

After any bonuses are applied to the bedroom ratios, consistency between the ratios is checked to ensure that the FMRs for smaller units are lower than those for larger units. Specifically, the zero-bedroom (efficiency) rent ratio is checked against the one-bedroom rent ratio and the three-bedroom rent ratio is checked against the four-bedroom rent ratio. In both cases, the smaller bedroom units must have rent ratios that are at least 0.005 lower than the larger bedroom units. For example, in FY 2025 the preliminary zero-bedroom ratio exceeded the one-bedroom ratio for [American Samoa](#). Therefore, the zero-bedroom ratio was set equal to the one-bedroom ratio minus 0.005 (here, 0.762 minus 0.005, or 0.757). Lastly, the FMRs for the additional bedroom sizes are calculated by applying the appropriate final bedroom ratio to the two-bedroom FMR.

X. Limits on Year-to-Year Declines in FMRs

Pursuant to the 2016 [rulemaking](#) on Small Area FMR use, no FMR may decline by more than 10 percent from year to year. HUD compares preliminary FMRs against last year's FMRs to ensure they do not violate this floor. For example, in FY 2027, [Delaware County, NY](#) (a non-metropolitan county) was

calculated as having an efficiency FMR of \$708 based on the calculations and adjustments described in previous steps. 90 percent of Delaware County, NY's efficiency FY 2026 FMR (\$813) is \$732. Therefore, Delaware County, NY's FY 2027 efficiency FMR is floored at \$732.

Limits on year-to-year declines also apply to the Islands. However, because decennial census data is used for the Islands, the only time such a decline might potentially be seen is when new decennial census data becomes available. Given that new Decennial Census data was used for FY 2026, it was an explicit consideration that FY and shown on the Island documentation pages (see, for example, the [FY 2026 FMRs for American Samoa](#)). In other years, such as [FY 2025](#), year-to-year declines are not explicitly considered for the islands.

50th percentile rents calculated by HUD are also floored to the level of the FMR. Although there are no longer 50th percentile FMRs, 50th percentile rents are still used for the success rate payment standard.

XI. Appendix: Brief History of Methodological Changes

There have been three definitions of FMRs since 1974, the year Congress established the Section 8 program. The most recent definition is the 40th percentile. Prior definitions were the 45th and 50th percentiles, as shown in the table below. There have also been numerous methodology changes both before and after the current definition of FMRs went into effect in 1995.²¹

The table below is intended to briefly document the major methodological changes for each FY of FMRs, starting with the most recent. References for more detailed information are provided throughout.

FY of FMRs	Methodological Change(s)
FY 2027 ²²	HUD began using composite utility inflation factors made up of CPI and EIA data for use in calculating gross rent inflation factors and trend factors. The change was necessary because BLS discontinued publication of CPI fuels and utilities data at the metropolitan area and regional levels.
FY 2026 ²³	HUD's special tabulations of ACS and Decennial Census data cease to exclude new construction from the ASQ universe per the regulations at 24 CFR § 888.113 (see Section III), as amended by the final rule for implementing sections 102, 103, and 104 of the Housing Opportunity Through Modernization Act (HOTMA). ²⁴

²¹ See [Fair Market Rents](#).

²² See [FY 2027 Federal Register Notice](#).

²³ See [FY 2026 Federal Register Notice](#).

²⁴ HUD finalized HOTMA rulemaking in 2023 to put Sections 102, 103, and 104 into effect through revisions to HUD's regulations found in 24 CFR Part 5 and 24 CFR Part 891.

FY of FMRs	Methodological Change(s)
	HUD adopts the 2023 OMB MSA definitions, including revisions for CT based on planning regions rather than maintaining the previous HMFA definitions (see Section II).
FY 2025 ²⁵	Westchester County, NY was included in the New York, NY HUD Metro FMR Area for the first time (see Section II).
FY 2024 ²⁶	Began evaluating one-year recent mover data and only using two-year recent mover data if statistically reliable one-year data is unavailable. For areas not represented individually in the private rent data, HUD began using rental unit weighted average of the private inflation factors rather than applying a Census Region-based CPI rent inflation factor.
FY 2023 ²⁷	Private data sources included for the first time, in conjunction with the CPI, to inflate the ACS-based rent estimates when calculating the average gross rent inflation factor for areas where sufficient private rent data is available. Short-term methodology change to address the temporary lack of availability of usual ACS data due to COVID.
FY 2020 ²⁸	Began using localized and regional trend forecasts based on CPI metropolitan areas and Census regions rather than national trend factors. For the first time since FY 2001 there were no designated 50th percentile areas, having been fully replaced by SAFMRs.
FY 2018 ²⁹	Added number of observations to the existing statistical reliability criteria. Began using all-bedroom rents when two-bedroom rents are not statistically reliable before moving to a higher level of geography.
FY 2017 ³⁰	Small area fair market rents (SAFMRs) are officially introduced following a court settlement and subsequent pilot project in FY 2011. See Small Area Fair Market Rent (SAFMR) methodology for a more detailed timeline.

²⁵ See [FY 2025 Federal Register notice](#).

²⁶ See [FY 2024 Federal Register notice](#).

²⁷ See [FY 2023 Federal Register notice](#).

²⁸ See [HUD's Fair Market Rents and Income Limits](#) and [FY 2020 Federal Register notice](#).

²⁹ See [FY 2018 Federal Register notice](#) and [FY 2018 Notice of Proposed Rulemaking](#).

³⁰ See [HUD's Fair Market Rents and Income Limits](#) and the [SAFMR methodology](#) for additional information on the timeline of the introduction of SAFMRs and HUD's Fair Market Rents and Income Limits.

FY of FMRs	Methodological Change(s)
	Started using a statistical model to forecast CPI gross rents at the national level as the “trend factor”.
FY 2016 ³¹	HUD adopts the February 28, 2013 CBSA definitions, but treats any counties newly added to metropolitan areas as subareas.
FY 2014 ³²	Changed the basis for PR’s FMRs to the Puerto Rico Community Survey (PRCS) data, which is part of the ACS program. Also began using CPI data calculated specifically for PR rather than using South Census Region CPI data.
FY 2013 ³³	Updated bedroom ratio methodology, using 5-year ACS data rather than decennial census data. Implemented new trend factor methodology based on national gross rent data.
FY 2012 ³⁴	5-year ACS tabulation completely replaces decennial census data for the first time.
FY 2008 ³⁵	Began incorporating ACS data into the FMR calculations, gradually increasing the degree to which it was relied upon.
FY 2007 ³⁶	HUD added a 5% test to designate subareas if a county that was added to a MSA under the June 2003 CBSA definitions first adopted in FY 2006 had an income that differed from its metropolitan area by more than 5%.
FY 2006 ³⁷	HUD adopts the June 2003 CBSA definitions, but uses a 5% test to designate counties newly added to metropolitan areas as subareas. If a county’s rent differed from its parent MSA by more than 5% it was designated as a subarea.
FY 2002 ³⁸	One time change to methodology used for natural gas data due to data availability.

³¹ See [HUD’s FY 2016 Federal Register notice](#).

³² See [FY 2014 Federal Register notice](#).

³³ See [FY 2013 Federal Register notice](#).

³⁴ See [HUD’s Fair Market Rents and Income Limits](#) and [FY 2012 Federal Register Notice](#).

³⁵ See [HUD’s Fair Market Rents and Income Limits](#), [FY 2009 Federal Register notice](#), and [FY 2008 Federal Register notice](#).

³⁶ See [FY 2007 Federal Register notice](#).

³⁷ See [FY 2006 Federal Register notice](#).

³⁸ See [FY 2002 Federal Register notice](#).

FY of FMRs	Methodological Change(s)
FY 2001 ³⁹	Areas meeting certain criteria began being evaluated at the 50 th percentile. This ceased with the passage of the SAFMR final rule and their full implementation in FY 2017.
FY 1995 ⁴⁰	Changed from a 45th percentile standard to a 40th percentile standard as a cost saving measure.
FY 1984 ⁴¹	No FMRs were calculated.
FY 1982 ⁴²	Changed FMRs from a 50th percentile standard to a 45th percentile standard.
	Began excluding public housing and recently constructed units from standard quality units.
	Higher FMRs were established for units with more than two bedrooms.
FY 1979 ⁴³	Began supplementing decennial census data with American Housing Survey (AHS) data.
FY 1975 ⁴⁴	First FMR schedules developed using updated decennial census data.

XII. Appendix: Acronyms

ACS	American Community Survey
AHS	American Housing Survey
AS	American Samoa
ASQ	adjusted standard quality
BEA	Bureau of Economic Analysis
BLS	Bureau of Labor Statistics
CBSA	Core Based Statistical Area
CoC	Continuum of Care
CPI	Consumer Price Index
DC	District of Columbia

³⁹ See “FMR History 1983 - Present: Read Me” located here:
<https://www.huduser.gov/portal/datasets/fmr.html#history>.

⁴⁰ See [HUD’s Fair Market Rents and Income Limits](#) and “FMR History 1983 - Present: Read Me”
(<https://www.huduser.gov/portal/datasets/fmr.html#history>).

⁴¹ See “FMR History 1983 - Present: Read Me” located here:
<https://www.huduser.gov/portal/datasets/fmr.html#history>.

⁴² See [HUD’s Fair Market Rents and Income Limits](#).

⁴³ See [HUD’s Fair Market Rents and Income Limits](#).

⁴⁴ See [HUD’s Fair Market Rents and Income Limits](#).

DTRH	Puerto Rico Department of Labor and Human Resources, Bureau of Statistics of the Commonwealth Government
EIA	U.S. Energy Information Administration
ESG	Emergency Solutions Grant
FIPS	Federal Information Processing Standard
FMR	Fair Market Rent
FRED	Federal Reserve Economic Data (St. Louis Fed)
FY	fiscal year
GU	Guam
HAP	housing assistance payment
HCV	Housing Choice Voucher
HMFA	HUD Metro FMR Areas (also called “subareas” or CBSAsubs)
HOME	Home Investment Partnerships Program
HOTMA	Housing Opportunity Through Modernization Act
HUD	Department of Housing and Urban Development
IL	Illinois
LIM	Local Input Model
MD	Maryland
ME	Maine
MO	Missouri
Mod Rehab	Moderate Rehabilitation Single Room Occupancy program
MP	Northern Mariana Islands
MS	Mississippi
MSA	metropolitan statistical area
ND	North Dakota
NIM	National Input Model
NY	New York
OMB	Office of Management and Budget
OR	Oregon
PHA	public housing agency
PIC	PIH Information Center
PIH	Office of Public and Indian Housing
PR	Puerto Rico
PRCS	Puerto Rico Community Survey
PRFI	Private Residential Fixed Investment
PSU	primary sampling unit
PTS	Pure Time Series
RFIF	renewal funding inflation factor
RMSE	root mean squared error
RPR	Rent of Primary Residence
SAFMR	Small area fair market rent
TX	Texas

U.S.	United States
UT	Utah
VA	Virginia
VI	Virgin Islands
WV	West Virginia
WY	Wyoming