

## **Rent Reasonableness Form**

Participant Name:	HMIS or VSP #:
Agency:	

**INSTRUCTIONS:** The Rent Reasonableness Certification is meant to ensure that the total rent (including utilities) being charged for a unit is "reasonable" compared to the rents being charged for similar un-assisted units in the same area during the same timeframe. The rent must meet certain standards and cannot exceed 120% of HUD's published Fair Market Rent (FMR) rates. If the reasonable rent is higher than 120% FMR, the program can pay up to the reasonable rent. When looking for comparable rent, the rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units based on location (within 3-5 miles of the identified unit), quality, size, type, age of unit, and any amenities provided by the owner. Determination of rent reasonableness is required before entering a lease or making any financial payments on a unit.

## **FMR REGULATIONS**

For programs funded by HUD CoC: Program must use <u>Fair Market Rent (FMR) for the City of Long Beach</u>
For programs not funded by HUD CoC: Programs must use <u>Small Area Fair Market Rent (FMR) for the City of Long Beach</u>

**Utility Allowance:** If utilities are not included in the rent but are the responsibility of the participant, a utility allowance must be included in the total gross rent amount. Please see the calculation noted in the "Rent Reasonableness Certification" section below. Programs are required to use <u>Long Beach Housing Authority</u> Utility Allowance Schedule.

**For Contractors Using Leasing Funds to Lease a Structure**: If the program uses funds to lease a structure that provides housing or supportive services to homeless persons, you cannot exceed the FMR even if the reasonable rent is higher. Please see <a href="HUDs Leasing Requirements 24 CFR 578.49">HUDs Leasing Requirements 24 CFR 578.49</a> (a). Additionally, leasing funds cannot be used to lease units or structures owned by:

• The recipient or subrecipient, parent or related organizations, or organizations in a partnership that owns the structure

	Proposed Unit	Comparable Unit	Comparable Unit	Comparable Unit 3
		1	2	(optional)
Unit Address				
# of Bedrooms				
Unit Sq. Feet				
Age of Building				
Housing Condition				

CITY OF Amenities within ☐ Refrigerator ☐ Refrigerator ☐ Refrigerator ☐ Refrigerator Unit ☐ Stove ☐ Stove ☐ Stove ☐ Stove ☐ Washer/Dryer ☐ Washer/Dryer ☐ Washer/Dryer ☐ Washer/Dryer ☐ Furniture ☐ Furniture ☐ Furniture ☐ Furniture □ A/C □ A/C □ A/C □ A/C  $\square$  Other: ☐ Other:  $\square$  Other:  $\square$  Other: Amenities in ☐ Laundry Room ☐ Laundry Room ☐ Laundry Room ☐ Laundry Room Building ☐ On-site Parking ☐ On-site Parking ☐ On-site Parking ☐ On-site Parking ☐ Pool ☐ Pool ☐ Pool ☐ Pool ☐ Patio Area ☐ Patio Area ☐ Patio Area ☐ Patio Area ☐ Fitness Center ☐ Fitness Center ☐ Fitness Center ☐ Fitness Center  $\square$  Other:  $\square$  Other:  $\square$  Other:  $\square$  Other: Neighborhood ☐ Public ☐ Public ☐ Public ☐ Public **Amenities** Transportation Transportation Transportation Transportation ☐ Grocery Stores ☐ Grocery Stores ☐ Grocery Stores ☐ Grocery Stores ☐ School ☐ School ☐ School ☐ School ☐ Parks ☐ Parks ☐ Parks ☐ Parks  $\square$  Other:  $\square$  Other:  $\square$  Other:  $\square$  Other: **Utilities Included** ☐ Gas ☐ Gas ☐ Gas ☐ Gas in the Rent ☐ Electric ☐ Electric ☐ Electric ☐ Electric ☐ Trash/Sewer ☐ Trash/Sewer ☐ Trash/Sewer ☐ Trash/Sewer ☐ Water ☐ Water ☐ Water ☐ Water  $\square$  Other: ☐ Other: ☐ Other: ☐ Other: Utility Allowance Amount **Proposed Gross** Rent Amount RENT REASONABLENESS CERTIFICATION Property Address: 120% FMR Amount: Proposed Unit Gross Rent: **Property is at or below 120% FMR**:  $\square$  Yes  $\square$  No **RENT REASONABLENESS CALCULATION: Proposed Gross Rent** Utility Allowance **Total Gross Rent** I certify that I am not a HUD certified inspector, and I have evaluated the property located at the above address to the best of my ability. I confirm that the proposed unit gross rent meets HUD's rent reasonableness standards. Case Manager's Name: \_\_\_\_\_\_ Date: \_\_\_\_\_ Case Manager's Signature: