



FY 2020 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2020 Washington-Arlington-Alexandria, DC-VA-MD
HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2020 & Final FY 2019 FMRs By Unit Bedrooms

Year	<u>Efficiency</u>	<u>One- Bedroom</u>	<u>Two- Bedroom</u>	<u>Three- Bedroom</u>	<u>Four- Bedroom</u>
FY 2020 FMR	\$1,457	\$1,500	\$1,707	\$2,215	\$2,707
FY 2019 FMR	\$1,415	\$1,454	\$1,665	\$2,176	\$2,678

Fair Market Rent Calculation Methodology

— [Show/Hide Methodology Narrative](#) —

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2013-2017 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2020 provided the estimate is statistically reliable. For FY2020, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2013-2017 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2020 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2020.

2. HUD calculates a recent mover adjustment factor by comparing a 2017 1-year 40th percentile recent mover 2-bedroom rent to the 2013-2017 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: 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. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2018 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2017 to annual 2018.
5. All estimates are then inflated from 2018 to FY2020 using a trend factor based on the forecast of gross rent changes through FY2020.
6. FY2020 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2020 FMRs may not be less than 90% of FY2019 FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. The following are the 2017 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.

Area	ACS₂₀₁₇ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS₂₀₁₇ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result

Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area	\$1,478	\$9	\$9 / \$1,478=0.006	6	0.006 < .5 6 ≥ 4 Use ACS ₂₀₁₇ 5-Year Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Gross Rent
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Since the ACS₂₀₁₇ Margin of Error Ratio is less than .5, the ACS₂₀₁₇ Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	FY2020 Base Rent
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area	\$1,478

- A recent mover adjustment factor is applied based on the smallest area of geography which contains Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area and has an ACS₂₀₁₇ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS ₂₀₁₇ 1-Year Adjusted Standard Quality Recent- Mover Gross Rent	ACS ₂₀₁₇ 1-Year Adjusted Standard Quality Recent- Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro	\$1,631	\$26	0.016	6	0.016 < .5 6 ≥ 4 Use ACS ₂₀₁₇ 1-Year Washington-

Area	ACS₂₀₁₇ 1-Year Adjusted Standard Quality Recent- Mover Gross Rent	ACS₂₀₁₇ 1-Year Adjusted Standard Quality Recent- Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
FMR Area – 2 Bedroom					Arlington- Alexandria, DC- VA-MD HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area and has an ACS₂₀₁₇ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.

- The calculation of the relevant Recent-Mover Adjustment Factor for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area is as follows:

ACS₂₀₁₇ 5-Year Area	ACS₂₀₁₇ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS₂₀₁₇ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Washington-Arlington- Alexandria, DC-VA-MD HUD Metro FMR Area – 2 Bedroom	<u>\$1,478</u>	<u>\$1,631</u>

Area	Ratio	Recent-Mover Adjustment Factor
Washington-Arlington- Alexandria, DC-VA-MD HUD Metro FMR Area	\$1,631 / \$1,478 =1.104	1.1035 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.1035

4. The calculation of the relevant CPI Update Factors for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area is as follows: HUD updates the 2017 intermediate rent with the ratio of the annual 2018 local or regional CPI to the annual 2017 local or regional CPI to establish rents as of 2018.

	Update Factor	Type
CPI Update Factor	1.0228	Local CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2018 to 2020 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2020.

Trend Factor	Trend Factor Type
1.0231	Local

6. The FY 2020 2-Bedroom Fair Market Rent for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area is calculated as follows:

Area	ACS₂₀₁₇ 5-Year Estimate	Recent- Mover Adjustment Factor	Annual 2017 to 2018 CPI Adjustment	Trending 1.0231 to FY2020	FY 2020 2-Bedroom FMR
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area	\$1,478	1.1035	1.0228	1.0231	\$1,478 * 1.104 * 1.0228 * 1.0231=\$1,707

7. In keeping with HUD policy, the preliminary FY 2020 FMR is checked to ensure that it does not fall below the state minimum.

Since Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area is a multistate area, the highest state minimum of the states comprising Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area is used:

State	FY 2020 State Minimum
District of Columbia	\$714
Maryland	\$714
Virginia	\$714

The relevant state minimum is that of District of Columbia / Maryland / Virginia at \$714.

Area	Preliminary FY2020 2-Bedroom FMR	FY 2020 District of Columbia / Maryland / Virginia State Minimum	Final FY2020 2-Bedroom FMR
Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area	\$1,707	\$714	\$1,707 ≥ \$714 Use Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area FMR of \$1,707

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2020 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2020 FMR	\$1,457	\$1,500	\$1,707	\$2,215	\$2,707

9. The FY2020 FMR must not be below 90% of the FY2019 FMR.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2019 FMR	\$1,415	\$1,454	\$1,665	\$2,176	\$2,678
FY2019 floor	\$1,274	\$1,309	\$1,499	\$1,958	\$2,410
FY 2020 FMR	\$1,457	\$1,500	\$1,707	\$2,215	\$2,707
Use FY2019 floor for FY2020?	No	No	No	No	No

Final FY2020 Rents for All Bedroom Sizes for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area

The following table shows the Final FY 2020 FMRs by bedroom sizes.

Final FY 2020 FMRs By Unit Bedrooms

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2020 FMR	\$1,457	\$1,500	\$1,707	\$2,215	\$2,707

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2020_code/2020summary.odn?&year=2020&fmrtype=Final&cbsasub=METRO47900M47900

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY 2020 HUD Metro FMR Area that is a part of the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA:

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Press below to select a different state:

Select a Final FY 2020 Metropolitan FMR Area:

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