



# FY 2020 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2020 Cincinnati, OH-KY-IN 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	\$568	\$658	\$865	\$1,185	\$1,362
<a href="#">FY 2019 FMR</a>	\$584	\$670	\$884	\$1,223	\$1,414

Clermont County, OH is part of the Cincinnati, OH-KY-IN HUD Metro FMR Area, which consists of the following counties: Dearborn County, IN; Ohio County, IN; Boone County, KY; Bracken County, KY; Campbell County, KY; Gallatin County, KY; Kenton County, KY; Pendleton County, KY; Butler County, OH; Clermont County, OH; Hamilton County, OH; and Warren County, OH. All information here applies to the entirety of the Cincinnati, OH-KY-IN HUD Metro FMR Area.

### Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

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

- 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 Cincinnati, OH-KY-IN HUD Metro FMR Area.

<b>Area</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
-------------	---	---	--------------	-------------------------------------	---------------

	<b>Standard Quality Gross Rent</b>	<b>Standard Quality Gross Rent Margin of Error</b>			
Cincinnati, OH-KY-IN HUD Metro FMR Area	<u>\$773</u>	\$6	$\frac{\$6}{\$773} = 0.008$	6	0.008 < .5 6 ≥ 4 Use ACS <sub>2017</sub> 5-Year Cincinnati, OH-KY-IN HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS<sub>2017</sub> Margin of Error Ratio is less than .5, the ACS<sub>2017</sub> Cincinnati, OH-KY-IN HUD Metro FMR Area value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

<b>Area</b>	<b>FY2020 Base Rent</b>
Cincinnati, OH-KY-IN HUD Metro FMR Area	\$773

2. A recent mover adjustment factor is applied based on the smallest area of geography which contains Cincinnati, OH-KY-IN HUD Metro FMR Area and has an ACS<sub>2017</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

<b>Area</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent-Mover Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
Cincinnati, OH-KY-IN HUD Metro FMR Area – 2 Bedroom	<u>\$812</u>	\$28	0.034	6	0.034 < .5 6 ≥ 4 Use ACS <sub>2017</sub> 1-Year Cincinnati, OH-KY-IN HUD

<b>Area</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent Margin of Error</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
					Metro FMR Area 2-Bedroom Adjusted Standard Quality Recent- Mover Gross Rent

The smallest area of geography which contains Cincinnati, OH-KY-IN HUD Metro FMR Area and has an ACS<sub>2017</sub> 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 Cincinnati, OH-KY-IN HUD Metro FMR Area.

- The calculation of the relevant Recent-Mover Adjustment Factor for Cincinnati, OH-KY-IN HUD Metro FMR Area is as follows:

<b>ACS<sub>2017</sub> 5-Year Area</b>	<b>ACS<sub>2017</sub> 5-Year 40th Percentile Adjusted Standard Quality Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent</b>
Cincinnati, OH-KY-IN HUD Metro FMR Area – 2 Bedroom	<a href="#"><u>\$773</u></a>	<a href="#"><u>\$812</u></a>

<b>Area</b>	<b>Ratio</b>	<b>Recent-Mover Adjustment Factor</b>
Cincinnati, OH-KY-IN HUD Metro FMR Area	\$812 / \$773 = 1.0505	1.0505 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.0505

- The calculation of the relevant CPI Update Factors for Cincinnati, OH-KY-IN 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.

<b>Update Factor</b>	<b>Type</b>

CPI Update Factor	1.025	Region 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
1.0391	Region

6. The FY 2020 2-Bedroom Fair Market Rent for Cincinnati, OH-KY-IN HUD Metro FMR Area is calculated as follows:

Area	<u>ACS<sub>2017</sub> 5-Year Estimate</u>	<u>Recent- Mover Adjustment Factor</u>	<u>Annual 2017 to 2018 CPI Adjustment</u>	<u>Trending 1.0391 to FY2020</u>	FY 2020 2-Bedroom FMR
Cincinnati, OH-KY-IN HUD Metro FMR Area	\$773	1.0505	1.025	1.0391	\$773 * 1.050 * 1.0250 * 1.0391=\$865

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 Cincinnati, OH-KY-IN HUD Metro FMR Area is a multistate area, the highest state minimum of the states comprising Cincinnati, OH-KY-IN HUD Metro FMR Area is used:

State	FY 2020 State Minimum
Indiana	\$714
Kentucky	\$631
Ohio	\$696

The relevant state minimum is that of Indiana at \$714.

Area	Preliminary FY2020 2-Bedroom FMR	FY 2020 Indiana State Minimum	Final FY2020 2-Bedroom FMR
Cincinnati, OH- KY-IN HUD Metro FMR Area	\$865	<u>\$714</u>	\$865 ≥ \$714 Use Cincinnati, OH-KY-IN HUD Metro FMR Area FMR of \$865

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.

<b>FY 2020 FMRs By Unit Bedrooms</b>					
	<a href="#"><u>Efficiency</u></a>	<a href="#"><u>One-Bedroom</u></a>	<b>Two-Bedroom</b>	<a href="#"><u>Three-Bedroom</u></a>	<a href="#"><u>Four-Bedroom</u></a>
FY 2020 FMR	\$568	\$658	\$865	\$1,185	\$1,362

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

	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
FY2019 FMR	\$584	\$670	\$884	\$1,223	\$1,414
FY2019 floor	\$526	\$603	\$796	\$1,101	\$1,273
FY 2020 FMR	\$568	\$658	\$865	\$1,185	\$1,362
Use FY2019 floor for FY2020?	No	No	No	No	No

**Final FY2020 Rents for All Bedroom Sizes for Cincinnati, OH-KY-IN HUD Metro FMR Area**

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

<b>Final FY 2020 FMRs By Unit Bedrooms</b>					
	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
Final FY 2020 FMR	\$568	\$658	\$865	\$1,185	\$1,362

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&selection\\_type=county&fips=3902599999](http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2020_code/2020summary.odn?&year=2020&fmrtype=Final&selection_type=county&fips=3902599999)

**Other HUD Metro FMR Areas in the Same MSA**

Select another Final FY 2020 HUD Metro FMR Area that is a part of the Cincinnati, OH IN MSA:

**Select a different area**

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

- Allen County, IN
- Bartholomew County, IN
- Benton County, IN
- Blackford County, IN

Press below to select a different state:

Select a Final FY 2020 Metropolitan FMR Area:

[HUD Home Page](#) | [HUD User Home](#) | [Data Sets](#) | [Fair Market Rents](#) | [Section 8 Income Limits](#) | [FMR/IL Summary System](#) | [Multifamily Tax Subsidy Project \(MTSP\) Income Limits](#) | [HUD LIHTC Database](#) |

Prepared by the [Program Parameters and Research Division](#), HUD. Technical problems or questions? [Contact Us](#).