

Final FY 2009 Fair Market Rent Documentation System

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The Final FY 2009 Tallahassee, FL HUD Metro FMR Area FMRs for All Bedroom Sizes

The following table shows the Final FY 2009 FMRs by unit bedrooms.

Final FY 2009 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2009 FMR	\$650	\$723	\$892	\$1,190	\$1,225

The remainder of this page provides complete documentation of the development of the Final FY 2009 Fair Market Rents (FMRs) for **Tallahassee, FL HUD Metro FMR Area**. This page provides a summary of how the Final FY 2009 FMRs were developed and updated starting with the formation of the FY 2009 FMR Areas from the metropolitan Core-Based Statistical Areas (CBSAs) as established by the Office of Management and Budget and incorporating newly available 2006 American Community Survey (ACS) Data. FY 2009 FMRs include information from local Random Digit Dialing (RDD) surveys conducted during the first quarter of 2008. Aspects of the derivation of Final FY 2009 rents exclusive to FY 2009 are made explicit in the following text. Aspects unchanged from FY 2008 can be reviewed by clicking on the associated link.

FY 2009 FMR Area Geography

FY 2009 FMR Areas Follow FY 2008 Area Definitions with Modifications

FY 2009 FMR areas continue to use the revised Office of Management and Budget (OMB) area definitions that were first issued in 2003 along with HUD defined Metropolitan areas (HMFAs) as described in the FY 2008 FMR documentation which can be found at (Tallahassee, FL HUD Metro FMR Area FY 2008 FMR Documentation system). FY 2009 areas reflect changes made to metropolitan areas by OMB through November 20, 2007 as published in OMB bulletin 08-01.

Tallahassee, FL HUD Metro FMR Area is made up of the following:

Gadsden County, FL ; Jefferson County, FL ; and Leon County, FL .

Tallahassee, FL HUD Metro FMR Area FMR Area Derivation (RECAP)

The **Tallahassee, FL HUD Metro FMR Area** is a HUD-defined metropolitan FMR area that is part of the **Tallahassee, FL MSA**, but differs from the OMB defined CBSA because some other part of the **Tallahassee, FL MSA** has a 2000 Census 40th Percentile Base Rent and/or a 2000 Census Median Family Income that differs from the official metropolitan area's 2000 Census 40th Percentile Base Rent and/or 2000 Census Median Family Income by at least 5 percent.

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The 2000 Census 40th Percentile Base Rent for **Tallahassee, FL Evaluated Metro FMR Area** (\$603) does

not differ from the 2000 Census 40th Percentile Base Rent for **Tallahassee, FL MSA (\$598)** by at least 5 percent:

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$$(\$603 / \$598) - 1 = 1.008 - 1 = 0.8 \text{ percent} < 5.0 \text{ percent.}$$

Additionally, HUD compared the 2000 Census Median Family Income for **Tallahassee, FL HUD Metro FMR Area (\$49,546)** to the 2000 Census Median Family Income for **Tallahassee, FL MSA (\$48,878)** to see if the difference is more than 5.0 percent. As can be seen from the calculation below, the difference is less than 5.0 percent:

$$(\$49,546 / \$48,878) - 1 = 1.014 - 1 = 1.4 \text{ percent} < 5.0 \text{ percent.}$$

Final FY 2009 FMRs

HUD continues its use of ACS data in FY 2009, by building upon the FY 2008 Final FMRs (Tallahassee, FL HUD Metro FMR Area FY 2008 FMR Documentation system). As in FY 2008, HUD uses 2006 ACS data in four different ways according to how many two-bedroom standard quality and recent mover sample cases are available in the FMR area or its Core-Based Statistical Area (CBSA). ACS-1 through ACS-4 areas are described in detail here.

In most cases, Final FY 2009 FMRs are based on changes in rents measured by differences in ACS data collected in 2005 and 2006 and updated CPI rent and utility inflation indexes. Depending on the size of the ACS survey sample, State or Local ACS data is used to update a June 2005-calculated gross rent from the Final FY 2008 FMRs (Tallahassee, FL HUD Metro FMR Area FY 2008 FMR Documentation system) to June 2006. In some cases, as described below, the 2006 ACS Survey result is used instead of a 2005 to 2006 updated value. The ACS updated 2006 rent is then adjusted with CPI inflation factors that measure changes from mid-2006 though year end 2007 and 1.25 years of trending to arrive at Final FY 2009 FMRs. RDD survey results are applied where available and appropriate.

Tallahassee, FL HUD Metro FMR Area is an ACS-3 area.

ACS-3 areas are FMR Areas which are MSAs, subareas, or nonmetropolitan counties that have fewer than 200 sample cases of two-bedroom standard quality rents.

In ACS-3 FMR areas, the 2005 ACS-to-2006 ACS update factor is the ratio of the 2006 ACS two-bedroom standard quality rent to the 2005 ACS two-bedroom standard quality rent for the entire state containing the FMR area, or a population-weighted average of states specific to the FMR area.

Generating a June, 2005 Rent from FY 2008 Final FMRs

In order to apply 2005 to 2006 ACS changes to FMRs (ACS data are assumed to be as of June of their respective survey years), FY 2008 FMRs are first deflated to mid-2005 values by removing the CPI inflation and trend factors used to update mid-2005 values to April, 2008 inherent in the Final FY 2008 FMRs. (Tallahassee, FL HUD Metro FMR Area FY 2008 FMR Documentation system.)

Rent₂₀₀₅ =

Final FY 2008 Rent

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$$(\text{CPI Change}_{2005})^5 \times (\text{CPI Change}_{2006}) \times (\text{Trend})$$

$$\text{Rent}_{2005} = \frac{\$840}{(1.0403)^5 \times (1.0503) \times (1.0376)}$$

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$$\text{Rent}_{2005} = \frac{\$840}{(1.02) \times (1.0503) \times (1.0376)}$$

$$\text{Rent}_{2005} = \frac{\$840}{(1.0713) \times (1.0376)}$$

$$\text{Rent}_{2005} = \frac{\$840}{1.1116}$$

$$\text{Rent}_{2005} = \$756$$

The 2005 to 2006 Update Factor using 2006 ACS Data

As stated earlier, Tallahassee, FL HUD Metro FMR Area is an ACS-3 area.

There are fewer than 200 standard quality 2005 and 2006 ACS cases for Tallahassee, FL HUD Metro FMR Area. Therefore, the 2005-2006 update factor is based on the change in standard quality 2-bedroom rents between the 2005 and 2006 ACS at the state level. The update factor for Tallahassee, FL HUD Metro FMR Area is 1.0663, which is calculated as the ratio of the 2006 Florida ACS standard quality median rent to the 2005 ACS median standard quality rent for Florida.

This update factor yields a 2006 Intermediate rent for Tallahassee, FL HUD Metro FMR Area of \$756 x 1.0663 = \$806.

NOTE: The update factor shown in the calculation above may not match exactly the 2005 - 2006 update factor shown throughout the demonstration due to the rounding of Fair Market Rents to whole dollar amounts

The 2006-to-2009 Update Factors

HUD updates the 2006 intermediate rent (as of June 2006) with the appropriate CPI change (local or regional) to establish rents as of December 2007. HUD then applies additional trending or results of Random Digit Dialing (RDD) surveys to update rents to April, 2009, the mid-point of FY 2009.

The Tallahassee, FL HUD Metro FMR Area has the following 2006-to-2009 Update Factor:

Update Factors used between June 2005 and April 2008				
Year	Update Factor	Type	Local RDD Completed?	Local RDD Used?
6/2006 to 2007	1.0659	Regional CPI factor	No	No

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2007 to 2009	1.0376	Trend Factor 3% for 1.25 Years =1.03 ^{1.25}	No	No
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Final FY 2009 2-Bedroom FMR

The Final FY 2009 2-Bedroom FMR is simply the product of the 2005 Rent from deflated from FINAL FY 2008 FMRs, the 2005-to-2006 Update Factor and the 2006-to-2009 Update Factors for Tallahassee, FL HUD Metro FMR Area as determined above:

Tallahassee, FL HUD Metro FMR Area Final FY 2009 FMR

$$= \$756 \times 1.0663 \times 1.0659 \times 1.0376$$

$$= \$806 \times 1.0659 \times 1.0376$$

$$= \$859 \times 1.0376$$

$$= \mathbf{\$891}$$

NOTE: Due to rounding, the FMR shown in this demonstration differs from the actual published 2 bedroom FMR shown below

The Final FY 2009 Rents for All Bedroom Sizes

The following table shows the Final FY 2009 FMRs by unit bedrooms. The FMRs for units with different numbers of bedrooms are computed from the ratio of the 2005 Revised Final FMRs (based on 2000 Decennial Census Data) for the different unit sizes to the 2005 2-Bedroom Revised Final FMRs. These Rent Ratios are applied to the Final FY 2009 2-Bedroom FMR to determine the Final FY 2009 FMRs for the different size units.

Click on the links in the table to see how the bedroom rents were derived.

Final FY 2009 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2009 FMR	\$650	\$723	\$892	\$1,190	\$1,225

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.

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Other HUD Metro FMR Areas in the Same MSA

Select another Final FY 2009 HUD Metro FMR Area that is a part of the Tallahassee, FL MSA

Wakulla County, FL HUD Metro FMR Area

Select Metropolitan FMR Area

Change Your Geographic Selections

Select a State first to select a specific county or New England town:

Alabama - AL

Select State

or

Select a Final FY 2009 Metropolitan FMR Area:

Tallahassee, FL HUD Metro FMR Area

Select Metropolitan FMR Area

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