



FY 2018 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2018 FMRs for All Bedroom Sizes

Final FY 2018 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2018 FMR	\$918	\$1,125	\$1,411	\$1,815	\$2,108
FY 2017 FMR	\$903	\$1,097	\$1,376	\$1,769	\$2,072

NOTE: This is a 50th Percentile Final FY 2018 FMR area as established by HUD regulations. To see the Final 40th Percentile Rents for Baltimore-Columbia-Towson, MD MSA please click [here](#).

Queen Anne's County, Maryland is part of the Baltimore-Columbia-Towson, MD MSA, which consists of the following counties: Anne Arundel County, MD; Baltimore County, MD; Carroll County, MD; Harford County, MD; Howard County, MD; Queen Anne's County, MD; and Baltimore city, MD. All information here applies to the entirety of the Baltimore-Columbia-Towson, MD MSA.

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. 2011-2015 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 FY2018 provided the estimate is statistically reliable. For FY2018, 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 2011-2015 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 FY2018 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 FY2018.

2. HUD calculates a recent mover adjustment factor by comparing a 2015 1-year 40th percentile recent mover 2-bedroom rent to the 2011-2015 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 2016 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2015 to annual 2016.
5. All estimates are then inflated from 2016 to FY2018 using a trend factor based on the forecast of gross rent changes through FY2018.
6. FY2018 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. FY2018 FMRs may not be less than 90% of FY2017 FMRs.

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

1. The following are the 2015 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Baltimore-Columbia-Towson, MD MSA.

Area	ACS ₂₀₁₅ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₁₅ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Baltimore-Columbia-Towson, MD MSA	<u>\$1,197</u>	\$8	$\frac{\$8}{\$1,197} = 0.007$	6	0.007 < .5 6 ≥ 4 Use ACS ₂₀₁₅ 5-Year Baltimore-Columbia-Towson, MD MSA

2-
Bedroom
Adjusted
Standard
Quality
Gross
Rent

Since the ACS₂₀₁₅ Margin of Error Ratio is less than .5, the ACS₂₀₁₅ Baltimore-Columbia-Towson, MD MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	FY2018 Base Rent
Baltimore-Columbia-Towson, MD MSA	\$1,197

2. A recent mover adjustment factor is applied based on the smallest area of geography which contains Baltimore-Columbia-Towson, MD MSA and has an ACS₂₀₁₅ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS ₂₀₁₅ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₁₅ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Baltimore-Columbia-Towson, MD MSA – 2 Bedroom	<u>\$1,213</u>	\$34	0.028	6	0.028 < .5 6 ≥ 4 Use ACS ₂₀₁₅ 1-Year Baltimore-Columbia-Towson, MD MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Baltimore-Columbia-Towson, MD MSA and has an ACS₂₀₁₅ 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 Baltimore-Columbia-Towson, MD MSA.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Baltimore-Columbia-Towson, MD MSA is as follows:

ACS ₂₀₁₅ 5-Year Area	ACS ₂₀₁₅ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₁₅ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
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Baltimore-Columbia-Towson, MD MSA – 2 Bedroom	<u>\$1,109</u>	<u>\$1,213</u>
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Although the Baltimore-Columbia-Towson, MD MSA is a 50th percentile area for 2018, the Recent-Mover Adjustment Factor is based on 40th percentile rents in order to maintain consistency across calculations.

Area	Ratio	Recent-Mover Adjustment Factor
Baltimore-Columbia-Towson, MD MSA	$\frac{\$1,213}{\$1,109} = 1.094$	$1.094 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.094

4. The calculation of the relevant CPI Update Factors for Baltimore-Columbia-Towson, MD MSA is as follows: HUD updates the 2015 intermediate rent with the ratio of the annual 2016 local or regional CPI to the annual 2015 local or regional CPI to establish rents as of 2016.

	Update Factor	Type
CPI Update Factor	<u>1.0175</u>	Local CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2016 to 2018. This makes Fair Market Rents "as of" FY2018.

National Trend Factor
<u>1.0589</u>

6. The FY 2018 2-Bedroom Fair Market Rent for Baltimore-Columbia-Towson, MD MSA is calculated as follows:

Area	<u>ACS₂₀₁₅ 5-Year Estimate</u>	<u>Recent-Mover Adjustment Factor</u>	<u>Annual 2015 to 2016 CPI Adjustment</u>	<u>Trending 1.0589 to FY2018</u>	<u>FY 2018 2-Bedroom FMR</u>
Baltimore-Columbia-Towson, MD MSA	\$1,197	1.094	1.0175	1.0589	$\$1,197 * 1.094 * 1.0175 * 1.0589 = \$1,411$

7. In keeping with HUD policy, the preliminary FY 2018 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2018 2-	FY 2018 Maryland	Final FY2018 2-Bedroom FMR

	Bedroom FMR	State Minimum	
Baltimore-Columbia-Towson, MD MSA	\$1,411	<u>\$697</u>	\$1,411 ≥ \$697 Use Baltimore-Columbia-Towson, MD MSA FMR of \$1,411

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 2018 FMRs By Unit Bedrooms					
	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2018 FMR	\$918	\$1,125	\$1,411	\$1,815	\$2,108

9. The FY2018 FMR must not be below 90% of the FY2017 FMR.

	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY2017 FMR	\$903	\$1,097	\$1,376	\$1,769	\$2,072
FY2017 floor	\$813	\$987	\$1,238	\$1,592	\$1,865
FY 2018 FMR	\$918	\$1,125	\$1,411	\$1,815	\$2,108
Use FY2017 floor for FY2018?	No	No	No	No	No

Final FY2018 Rents for All Bedroom Sizes for Baltimore-Columbia-Towson, MD MSA

The following table shows the Final FY 2018 FMRs by bedroom sizes.

Final FY 2018 FMRs By Unit Bedrooms					
	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
Final FY 2018 FMR	\$918	\$1,125	\$1,411	\$1,815	\$2,108

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/FY2018_code/2018summary.odn?&year=2018&fmrtype=Final&selection_type=county&fips=2403599999

FY 2018 40th Percentile Rents for Other 50th Percentile Areas

Select a Final FY 2018 50th Percentile FMR Area to see its 40th Percentile Rents:

Baltimore-Columbia-Towson, MD MSA



Select 50th Percentile FMR Area

Select a different area

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

Allegany County, MD

Anne Arundel County, MD

Baltimore city, MD

Baltimore County, MD

Calvert County, MD



Select a new county

Press below to select a different state:

Select a new state

Select a Final FY 2018 Metropolitan FMR Area:

Baltimore-Columbia-Towson, MD MSA



Select Metropolitan FMR Area

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