

**FY 2021 FAIR MARKET RENT
FAYETTEVILLE-SPRINGDALE-ROGERS, AR**

Year	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
FY 2021 FMR	\$579	\$618	\$780	\$1,116	\$1,350
FY 2021 SAFMR 72704	\$670	\$710	\$900	\$1,290	\$1,560



FY 2021 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2021 Fayetteville-Springdale-Rogers, AR HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2021 & Final FY 2020 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 FMR	\$579	\$618	\$780	\$1,116	\$1,350
FY 2020 FMR	\$584	\$630	\$807	\$1,149	\$1,417

Washington County, AR is part of the Fayetteville-Springdale-Rogers, AR HUD Metro FMR Area, which consists of the following counties: Benton County, AR; Madison County, AR; and Washington County, AR. All information here applies to the entirety of the Fayetteville-Springdale-Rogers, AR 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:

1. 2014-2018 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 FY2021 provided the estimate is statistically reliable. For FY2021, 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 2014-2018 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 FY2021 base rent is the average of the inflated ACS estimates.



FY 2021 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2021 Fayetteville-Springdale-Rogers, AR HUD Metro FMR Area Small Area FMRs

The following are the steps used to calculate the 2-bedroom rent of \$900 for ZIP Code 72704.

1. Evaluate the current 5-year ACS Adjusted Standard Quality (ASQ) 40th percentile 2-bedroom gross rent. If the estimate has a margin of error ratio of less than 50% and at least one hundred survey cases, use this as the ZCTA base rent for the SAFMR for the current year.
2. If the 2-Bedroom rent is not reliable, evaluate the 1-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
3. If the 2 and 1-Bedroom rents are not reliable, evaluate the 3-Bedroom gross rent. If this estimate is reliable, convert it to a 2-bedroom rent using the appropriate bedroom ratio of the parent HUD metropolitan area.
4. Repeat the above three steps for the previous two ACS years. If a ZIP code has reliable 2-Bedroom equivalent rents in at least two or the three ACS years, update the non-current year ACS estimates for inflation, and take the average of the reliable estimates as the base rent for FY2021.
5. Calculate a FY2021 Small Area Fair Market Rent by multiplying this base rent by the recent mover factor, the CPI gross rent update factor, and the forecasted trend factor.
6. If the ZIP code does not have a reliable base rent, evaluate the quality of its 5-year ACS Adjusted Standard Quality (ASQ) median all bedroom gross rent for the previous three ACS years. If at least two of these three estimates are reliable, calculate ratios of the ZIP code median gross rent estimate to that of the ZIP code's parent HUD metropolitan area. Take the average of these ratios. If the ZIP code does not have reliable ZIP code median gross rents, examine the reliability of the ZIP code's parent county. If at least two of these three estimates are reliable, calculate ratios of the county median gross rent estimate to that of the county's parent HUD metropolitan area. If county level estimates are not reliable, set the ratio to 1.
7. If necessary apply the ZIP code rent ratio to the FY2021 2-Bedroom Fair Market Rent for the ZIP code's parent HUD metropolitan area.
8. Ensure that the 2-Bedroom SAFMR does not exceed 150% of the parent HUD metropolitan FMR.
9. Ensure the 2-Bedroom SAFMR is not lower than the ZIP code's parent state minimum FMR.
10. Calculate SAFMRs for other bedroom sizes using the bedroom ratios for the ZIP code's parent metropolitan area.
11. Ensure that the SAFMRs do not fall below the appropriate 90% floor.

The FY 2021 Fayetteville-Springdale-Rogers, AR HUD Metro FMR Area Small Area FMRs for All Bedroom Sizes in ZIP Code 72704

FY2021 SAFMRs By Unit Bedrooms				
Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
\$670	\$710	\$900	\$1,290	\$1,560

The remainder of this page provides complete documentation of the development of the Final FY 2021 2 Bedroom Small Area Fair Market Rent (FMR) for 72704 within the Fayetteville-Springdale-Rogers, AR HUD Metro FMR Area.