

PROCEDURES FOR RENT INCREASES AND
UTILITY ALLOWANCE INCREASES

RENT INCREASES

When requesting a rent increase, please refer to HUD Notice H-02-10.

In order for a Section 8 property to request a rent increase, a rent comparability study must be performed by a nonidentity of interest, state certified general appraiser if the Section 8 rents exceed the published Existing Housing Fair Market Rents.

The following must be submitted to the Agency when a rent increase, based on a rent comparability study, is requested:

- HUD Form 92273-58, Rent Comparability Study Form, refer to Chapter 9 of the Section 8 Renewal Policy Guide, which is available at
- A copy of the Owner Certification (sample found in HUD Notice H-02-10).
- The number of units for each Unit Type in which turnover occurred since the last HAP contract anniversary date (see HUD Notice H-02-10 for sample format).
- Evidence of Initial Difference - Please research the project records for copies of the original rent comparability studies performed by HUD. This should be submitted as evidence of the initial difference. If the original market study is not submitted, PHFA will determine the initial difference in accordance with the HUD instructions outlined in H-02-10.

No rent comparability study is required for properties where the current gross rent for the specific unit type does not exceed the applicable existing housing fair market rent; however, unit turnover information and the appropriate Owner Certification must be submitted along with the request.

*CHAPTER 13
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UTILITY ALLOWANCE INCREASES

On an annual basis, the Agency must review the utility allowance for the property to determine if the present allowance is adequate. This analysis coincides with the property's Housing Assistance Payments Contract anniversary. In order to make this evaluation, the Agency needs at least 50 percent of the residents' actual usage and utility cost for the previous year. The utility usage and cost data must be continuous for those 12 months.

The property manager should contact the utility provider to obtain this information. Most utility companies will provide a computer printout listing the monthly consumption and dollar cost per month. This utility data must be submitted to the Harrisburg office at least 60 days prior to the Housing Assistance Payments Contract anniversary date.

A sample release for verification of utilities is included in this Chapter.

RELEASE FOR VERIFICATION OF UTILITIES

I, _____, hereby authorize _____
(Utility Company) _____ to release, without liability, to
_____ (Owner/Agent) _____, Pennsylvania Housing Finance Agency, any and all
information they require concerning the utility costs for the address listed below. This
information is to be used for purposes of calculating the average utility costs for the
property located at this address, as well as to ensure adherence to the program under
which it was financed.

Property Address: _____

Signature

Print Name

Date

TO BE RETAINED IN EACH RESIDENT FILE