## Housing Authority of the City of Marshall, Texas

# Rent Reasonableness Worksheet and Certification Attachment A

Date:	Number of Bed	drooms:	Square Feet:	
Unit Address:				
Date Built:	Requested Rent	to Owner:		
Owner/Manager:				
		THE PERSON NAMED IN		
Phone Number:				
LOCATION	Maximum Score 1	0		
		MAX	SCORE	
Census Tract	203	10		
Census Tract	204	10		
Census Tract	205	10		
Census Tract	206	10		
Census Tract	207	10		
		Total Score for Lo	cation:	
QUALITY	Maximum Score:	20		
		MAX	SCORE	
Meets Minimum H		4		
Meets Minimum H	IQS - inside	4		
Painted within las	t 3 years - outside	1		
Painted within las	t 3 years - inside	1		
Painted within las	t 2 years - outside	1		
Painted within las	t 2 years - inside	1		
Painted within the	last years - outside	2		
Painted within the	last years - inside	2		
Remodeled within	the last 5 years	3		
<b>Exceeds Minimum</b>	HQS	1		
		Total Score for Q	uality:	

SIZE	Maximum Score: 15		
1 Bedroom squa	are feet	MAX	SCORE
Up to 635 squar	e feet	10	
636 to 675 squa	re feet	11	
676 to 775 squa	re feet	12	
776 to 815 squa	re feet	13	
Greater than 81	5 square feet	15	
2 Bedroom squa	are feet	MAX	SCORE
Up to 650 squar	e feet	10	
651 to 750 squa	re feet	11	
751 to 850 squa	re feet	12	1 - 1 - 1 - 1
851 to 950 squa	re feet	13	reside d
Greater than 95	0 square feet	15	
3 Bedroom squa	re feet	MAX	SCORE
Up to 900 square	e feet	10	
901 to 1100 squa	are feet	11	
1101 to 1300 squ	uare feet	12	
1301 to 1600 squ	uare feet	13	
Greater than 160	00 square feet	15	
4 Bedroom squa	re feet	MAX	SCORE
Up to 1100 squa	re feet	10	
1101 to 1350 square feet		11	
1351 to 1500 squ	uare feet	12	
1501 to 1750 squ	uare feet	13	
Greater than 175	50 square feet	15	
	Total Sco	ore Square Foot	age:
UNIT TYPE	Maximum Score: 10		
		MAX	SCORE
Single Family		10	
Duplex/ETC		7	
Row or Towne H		5	
ow rise or Garde. less th	en Apartments an 4 stories	2	
High rise 5 storie	s or more	2	
Manufactured ho	[12] - B. 14 - B. 15 -	8	9 0000
	Total	Score for Unit T	me:

AGE	Maximum Score: 5		
		MAX	SCORE
1-7 years old		5	
8-15 years old		4	
16-25 years old		3	
26-50 years old		2	
Over 50 years old		1	
		Total Score	Age
UTILITES	Maximum Score: 5		
Owner Provided		MAX	SCORE
Water/Sewer		2	A-012-15-1
Gas		1	
Electricity		1	
Trash Collecti	on	1	
	Tot	tal Score for Utilit	ies:
MAINTENANCE	Maximum Score: 3		
		MAX	SCORE
Owner will provide m	aintenance		
and repair		2	-
Owner maintains prui shrubs	ning of trees and	2	
Owner will provide m	aintenance		-
and repair		1	
Owner has a 24-hour call number	emergency	2	
call number	Tatal Car	2	
	Total Sco	ore for Maintenan	ice:
HOUSING SERVICES	Maximum Score: 3		
		MAX	SCORE
Manager/Owner reac	hable		
during the da	ay	1	
Security Patrol		1	
Social activities spons	ored		
by owner/m		1	
	Total Score	for Housing Service	es:

AMENITIES	Maximum Score = 27  MAX SCORE
Central Air Conditioning	8
Window Air Conditioning	5
Washer/Dryer hook-up	2
CARPETING:	
Living Room	1
Dining Room	1
Bedroom(s)	1
Garbage Disposal	1
Dishwasher	1
Ceiling Fan	1
Refrigerator	1
Microwave	1
Range	1
Self-Cleaning Oven	1
Mini-Blinds	1
Fence	1
	Total Score for Amenities:
Other Amenities Than Earn Point	Maximum Score =
Place check by all that apply	Maximum Score =
Place check by all that apply Allow pets	Maximum Score =
Place check by all that apply Allow pets Mail delivered to	Maximum Score = Security Lighting
Place check by all that apply Allow pets Mail delivered to door	Maximum Score = Security Lighting Drapes
Place check by all that apply Allow pets Mail delivered to door Freeway access	Maximum Score =  Security Lighting  Drapes School
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio  Balcony	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within limits
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio  Balcony Cable ready	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within limits Medical Facility
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio  Balcony Cable ready Fireplace	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within limits Medical Facility Transportation
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio  Balcony Cable ready Fireplace Alarm System	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within limits Medical Facility Transportation Laundry Facility
Place check by all that apply Allow pets Mail delivered to door Freeway access Sporting courts Patio  Balcony Cable ready Fireplace Alarm System Covered Parking	Maximum Score =  Security Lighting  Drapes School Security screens Landscaped yard/area Retail stores within limits Medical Facility Transportation Laundry Facility Controlled Access

Total Score for Amenities
Total Score for all categories

### MARSHALL HOUSING AUTHORITY

## **Certification for Rent Reasonableness**

## **Section 8 Program**

#### ATTACHMENT A TO SCORING WORKSHEET

Published HUD Fair Market Rent for a	bedroom is	-•
Is the rent for this unit higher that rents the units? No or Yes_ If yes the requested r		
The Marshall Housing Authority hereby cerreasonable.	tifies that the Contract Ren	for this unit is
By:		
Signature	Title	Date

#### MARSHALL HOUSING AUTHORITY

Procedures for the completion of the

Rent Reasonableness Worksheet and Certification

The following are the procedures to be used by the Marshall Housing Authority staff to review, complete and file the Rent Reasonableness Worksheet and Certification of Comparable Rent to the Landlord's request rent.

- A. The Section 8 Inspector will be deliberate in making notations on the HUD inspection form such that the necessary documentation to complete the rent reasonableness worksheet may be completed accurately.
- B. Subsequent to the inspection, the Section 8 inspector or other trained staff of the Authority will complete the rent reasonableness worksheet and assign points according to the following procedure.
  - LOCATION- all census tract locations are 10 points. It is important to
    record the correct census trac number to ensure the data in the Authority
    computer system is accurate. The data in the computer system is utilized
    to file reports with HUD, other third parties and for managements use in
    making decisions.
  - 2. QUALITY- due to the substandard housing stock in the Marshall rental area, there are points given to the unit because the landlord improved the unit to meet the minimum Housing Quality Standards for inside and outside. There are additional points available for the painting and remodeling of the unit. If a unit was painted three years ago, the point given is only for that item. You should not assign additional points for painting within two years or one year.
  - 3. **SIZE** the size of the unit is part of the requirement of the HUD inspection form. Assign points to the unit for the square footage of the unable space by the resident. Any space in the unit or on the property that is not usable by the resident may not be added to the size to obtain points. The size will be noted on the HUD inspection form.
  - 4. **UNIT TYPE** this can be taken from the HUD inspection form and/or any notes that may be made by the inspector.
  - 5. AGE- the age must be noted on the HUD inspection form. If the age is not known, staff may obtain the age from the Harrison County Assessor's office via the Internet. If the county records do not show age then the Section 8 Inspector will make a best guess as to the age of the unit. Please note that if a complete remodeling of the unit has been done it will not

- change the points assigned for age. Extra points for this are located in the Quality section of the rent reasonableness worksheet.
- 6. **Utilities**-this scoring documentation would come from the notations made by the Section 8 Inspector located on the HUD inspection form. Generally the highest point values for this category will be given for apartment complexes and other similar developments. Single-family unit owners normally will not pay for utilities.
- 7. MAINTENANCE- the documentation for this category will be found within the notes of the Section 8 Inspector located on the HUD inspection form. This study showed that owners/agents would provide a phone number for the resident to contact them at any time and especially for emergencies relating to the unit leased.
- 8. **HOUSING SERVICES-** generally the owner or agent will be available during the day to answer resident questions or to let the resident report problems. This information will be available within the notes made by the Section 8 Inspector.
- 9. AMENITES- this category assigns points related to the safety and the comforts of the resident and any family members. The first part of this scoring process is specific items that relate to comfort of the family, such as air conditioning. The second part of amenities allows a maximum of four points based on a list of amenities that are available in the rental area. Generally if the landlord provides a range, refrigerator, private parking, driveway or carport/garage, the maximum points of four are given for this section.
- C. A note of importance should be made here in that the HUD Section 8 Inspection form as completed by the Authority Inspector, including notes regarding the units, become the full documentation for the points assigned on the scoring worksheet as completed by the inspector or other train staff.
- D. After the completion of the worksheet the points are added for all categories with the total placed in the upper right hand corner of the first page of the work sheet. The initials of the staff person completing the worksheet are to be placed under the total score as shown.

- E. The total score is compared to the point system rent schedule. If the total points are within the guidelines the Rent Reasonableness Certificate is completed and signed by the staff member that completed the worksheet. The Executive Director will complete periodic verifications of the accuracy of the worksheet and certify and document that process by placing his/her initial next to the initial of the staff person that completed the original worksheet.
- F. The rent reasonableness worksheet and certificate are placed in the clients file for future reference.

#### MARSHALL HOUSING AUTHORITY

# Analysis of the Point System by Bedroom Size Analysis of a One-bedroom

In reviewing and comparing the market rents of one-bedroom units not on the Section 8 Program in Marshall, Texas, the following facts were discovered and utilized in computing point values as related to the comparable rents in the area:

- Smallest unit square footage is 400sf
- Average unit square footage unit is 625sf
- Median square footage unit is 660sf
- Largest square footage is 730sf

Reasonable rents on a line graph would be:

Rents

Low Range	Median Rage	High Range
\$200 per month	\$300 per month	\$438 per month

The points below the low range would indicate that there would be possible problems with the unit passing Housing Quality Standards. In the analysis of the one-bedroom units, the lowest score was 53 points and the highest was 67 points.

In researching the apartment complexes in the Marshall rental area, it should be noted that most of the complexes in the area do not accept Section 8 individuals or families. The square footage of the apartments and rents charged were greater and higher respectively. Most of these apartments' complexes are renting units at between 49 and 55 cents per square foot per month. The apartment complexes that accept Section 8 are older, smaller in size are locate in the main rental areas of the City of Marshall. The point values and related rents are as follows for a one-bedroom unit:

RENT	POINTS
\$200 per month	up to 52 points
\$201-250 per month	53-54 points
\$251-300 per month	55-58 points
\$301-375 per month	59-62 points
\$376-450 per month	63-65 points
\$451-500 per month	66-69 points

#### Analysis of a Two-bedroom

The analysis of the rent reasonableness for two-bedroom units not on the Section 8 Program in the City of Marshall, TX reveals the following and has been utilized in computing the point values used in the study

- Smallest unit square footage is 632sf
- Average unit square footage unit is 878sf
- Median square footage unit is 896sf
- Largest square footage is 1250sf

#### Reasonable rents on a line graph would be:

	Low Range	Median Rage	High Range
Rents	\$300 per month	\$445 per month	\$550 per month

The point listed below the low range would indicate that the unit could have possible problems meeting Housing Quality Standards. In the analysis of the two-bedroom unit the lowest point value earned was 58 points and the highest point value earned was 69.

In comparing these figures to the apartment complexes that do not accept Section 8 residents we find that they are close to the market value of other non-Section rental units. The apartment complex units are renting for 50-52 cents per square foot per month and are generally 100 square feet larger than the average Section 8 rental unit. The point values and the corresponding rents are as follows:

RENT	POINTS
\$250 per month	up to 50 points
\$251-300 per month	51-59 points
\$301-400 per month	60-62 points
\$401-550 per month	63-72 points

#### **Analysis of Three-Bedroom Units**

In reviewing and comparing rent reasonableness for the three-bedroom units not on the Section 8 Programs within the Marshall rental we find the following

- Smallest unit square footage is 778sf
- Average unit square footage unit is 1,170sf
- Median square footage unit is 1,145sf
- Largest square footage is 1,829sf

Reasonable rents for the three bedroom units on a line graph would be presented as follows:

Low Range Median Rage High Range

Rents \$300 per month \$475 per month \$607 per month

The point below the low rage would indicate that there would be possible problems with the unit passing Housing Quality Standards.

In comparing three bedroom apartments with available rental units in the Marshall rental area it should be noted that the comparable average square footage is approximately the same at 1.100 square feet. These are older complexes and the rental value is approximately 30 cents per square foot per month. The comparable three bedroom units in the area are leasing for 29-49 cents per square foot per month. This leasing value would depend on the points scored on th scoring worksheet. There is an extra value for the larger units because of living space and comfort as compared to the other three bedroom units in the rental market. The point values and corresponding rental values are as follows:

RENT	POINTS
\$350 per month	up to 57 points
\$351-400 per month	58-61 points
\$401-500 per month	61-64 points
\$501-600 per month	65-69 points
\$601-700 per month	70-72 points

## Analysis of the Four-Bedroom Unit

The number of four-bedroom units available for rental in the Marshall rental area are few. This lack of data requires that another method of computing the score values and the comparable rents be utilized. The HUD published FMR will be used in addition to the interpolation of the spread and differences of the HUD FMR's as published.

The three-bedroom published FMR is \$607 per month and published four-bedroom FMR is \$662 per month. The difference is \$55 per month or a nine percent increase. The application of this difference between the three-bedroom and four-bedroom units results in the following table of comparable rents for the four-bedroom unit in the Marshall rental area. The point spread used is the same as the three bedroom unit to provide a standard of point values.

RENT	POINTS
\$382 per month	up to 57 points
\$383-435 per month	58-61 points
\$436-545 per month	61-64 points
\$546-650 per month	65-69 points
\$651-662 per month	70-72 points

#### Analysis of the Five-bedroom

The five-bedroom unit comparable rents will be computed based on the HUD published recommended computation of a 15% increase for each additional bedroom above the four-bedroom Fair Market Rent. The computation will result in the following table of rents and point values. The three-bedroom unit point will again be utilized to provide some standardization.

RENT	POINTS
\$440 per month	up to 57 points
\$441-500 per month	58-61 points
\$501-625 per month	61-64 points
\$625-750 per month	65-69 points
\$751-762 per month	70-72 points