**APPENDIX 1**

**PART I ADJUSTMENTS WORKSHEET**

**CONTRACT ADMINISTRATOR WORKSHEET FOR**

**PROCESSING RENT INCREASES FOR AAF RENT ADJUSTMENTS FOR NEW CONSTRUCTION**

**AND SUBSTANTIAL REHABILITATION UNIT TYPES IF THE PRE-ADJUSTMENT GROSS RENT EXCEEDS THE**

**EXISTING HOUSING FAIR MARKET RENT**

**(NOT USED TO CALCULATE BUDGET BASED RENT INCREASES)**

Property Name: Unit Type:

**ESSENTIAL INFORMATION TO DETERMINE ADJUSTED CONTRACT RENT FOR EACH UNIT TYPE**

Unit Type \_\_\_\_\_BR

For each unit type:

Number of Contract Units: \_\_\_\_\_\_\_\_

Number of Units With Turnover: \_\_\_\_\_\_\_\_

Number of Units Without Turnover: \_\_\_\_\_\_\_

Existing Housing FMR

for Unit Type $ \_

AAF from Table I\_\_\_\_\_\_\_

Comparable Rent (Estimated Market

Rent from HUD-92273-S8, line 46)

$

AAF from

Table II \_\_\_\_\_\_

Pre-adjustment Contract Rent $\_\_\_\_\_\_\_\_

Utility Allowance $\_\_\_\_\_\_\_\_\_

Pre-adjustment Gross Rent for Unit Type $ \_\_

Initial Difference $\_\_\_\_\_\_\_\_\_\_\_\_

**Step 1:** Is this contract a New Construction or Sub Rehab contract? ; AND

Is the current gross rent for this unit type (before application of the AAF) above the Existing Housing FMR?

 [ ] If the answer to BOTH questions is **YES**, then go to Step 2.

If the answer to EITHER question is **NO**, this worksheet does not apply. Contract rent for this unit type is adjusted under Part II of this Notice. Go to Part II Adjustments Worksheet at Appendix 2.

**Step 2:** Multiply the Table I AAF times the pre-adjustment contract rent. (NOTE: Use a factor of 1.000 if the published Table I AAF is below 1.000.)

 \_\_\_\_\_\_

Pre-adjustment

Contract Rent x Table I Factor = Step 2 Amount

**Step 3:** Add the initial difference to the comparable rent.

$ \_\_\_\_\_ + $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ = $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Comparable Rent Initial Difference Adjusted

 Comparable Rent

**STEP 4:** Determine if the amount calculated in Step 2 is more than the adjusted comparable rent calculated in Step 3.

$ $

Amount calculated Adjusted Comparable

In Step 2 Rent (from Step 3)

1. If the amount calculated in Step 2 is more than the adjusted comparable rent, go to Step 6a and enter the amount of the adjusted comparable rent (in this case, the adjusted contract rent equals the adjusted comparable rent).

b. If the amount calculated in Step 2 is equal to or less than the adjusted comparable rent, go to step 5.

**Step 5:** For units in which turnover occurred in the last year, use AAF Table I to calculate the rents. For units in which no turnover occurred in the last year use AAF Table II to calculate the rents. (NOTE: Throughout this Worksheet, when applying the published AAF, the factor of 1.000 must be used in all cases where the published factor is below 1.000.)

# ***Turnover units***

**Step 5a:**

$ x \_\_\_ = $ \_

Pre-Adjustment Table 1 Adjusted Contract

Contract Rent Factor Rent for Turnover

 Units (enter this

 amount in Step 6b)

# ***Units with no turnover***

**Step 5b:**

$ \_\_\_\_\_\_\_\_\_ x = $ \_\_

Pre-Adjustment Table 2 Adjusted Contract

Contract Rent Factor Rent for Non-

 Turnover Units

 (enter this amount in Step 6c)

**Step 6:** Enter the adjusted contract rent.

 a) From Step 4a $ for all units; **OR**

 b) From Step 5a $ for units with turnover

 Number of Units with turnover: \_\_\_\_\_\_\_\_\_

 c) From Step 5b $ for units with no turnover

 Number of Units with no turnover: \_\_\_\_\_\_\_\_\_

**Step 7:** Repeat Steps 1 through 6 for each unit type.

**STEP 8:** If Step 5 resulted in different rent levels for the same unit type, then a common rent level for this unit type must be derived. Use the rent levels listed in Step 6 to derive a new monthly Contract Rent Potential.

$ \_\_\_\_\_\_ for units with turnover X (units) = $ \_\_\_\_\_

$ \_\_\_ for units with no turnover X (Units) = $

Add the two numbers calculated above to derive total Contract Rent Potential

 $ + $ = $

 Turnover No Turnover Total

Divide Total Contract Rent Potential by the number of units for this unit type to obtain the new rent level for all BR units.

$ Total Contract Rent Potential divided by \_\_\_\_\_ units = $ New Rent Level

**STEP 9:** The new rent level for all BR units is

 approved at $ .