



Helpful Tips When Submitting Rent Comparability Studies (RCS)

- A Rent Comparability Study is required for Options 1, 2, 3.
- The RCS is valid for only five (5) years. A Contract Renewal cannot be processed with an expired RCS or an RCS that will expire within the first year of the new contract term.
- The Owner is required to submit the RCS to Georgia HAP Administrators, Inc. (GHA) no later than 120 days prior to expiration.
- The RCS must include an Owner Cover Letter (See Section 9-16 of Chapter Nine of the Section 8 Renewal Policy, dated June 19, 2001.)
***This Cover Letter is typically left out in most RCS submissions.**
- The date of the Appraiser's Letter transmitting the RCS to the Owner must be within 90 calendar days of the date in which the RCS was submitted to GHA and/or the date the RCS data was updated or verified by the Appraiser.
- The right Rent Comparability Grid (form HUD92273-S, exp. 09/30/2011) is being used for **each** primary bedroom type and is signed and dated by the Appraiser. This form can be found at: <http://www.hud.gov/offices/adm/hudclips/forms/files/92273-s8.xls>
- The Appraiser must attempt to identify comparable units from **five (5)** different properties.
- When preparing the Rent Comparability Grid, ensure that:
 - Comparables are in the same market area as the subject property. (However, do not confine the market search to small/limited area if the appraiser is unable to locate similar unit types in the prescribed sub market area.)
 - Comparables are not receiving tenant assistance
 - Comparables provided services and have project amenities similar to those available at the subject property. **Please note: HUD discourages the use of "independent living units" or retirement service centers" which represent the upper end of independent living choices for seniors.**
 - Comparables are located in projects that are similar to the subject in terms of project structure and layout, design, street appeal, age, size and unit mix, unit amenities and utilities. (However, for elderly facilities it may be acceptable to use traditional walk-up units when comparable elevator-type complexes are not available in the marketplace.)
 - Comparables have locations and neighborhood conditions (including crime rates and accessibility to services, employment, transportation, etc.) similar to the subject's.
 - Comparables are not rent restricted.
- Adjustments must be thoroughly explained – *why* they were made and *how* the dollar value was derived. This is particularly important for adjustments greater than \$25 dollars. **Adjustments should be based on what a tenant is willing to pay to access the services/amenity, not necessarily how much it costs.**
- Comparables, and associated adjustments, used in prior Rent Comparable Studies for subject property may not necessarily be acceptable for a current or updated RCS analysis.
- Chapter 9 of the Section 8 Renewal Policy provides detailed instruction on RCS Requirements. You can also find additional information, particularly Frequently Asked Questions, on-line at: <http://www.hud.gov/offices/hsg/mfh/exp/guide/s8renew.pdf>.