



FY 2019 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2019 FMRs for All Bedroom Sizes

Final FY 2019 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2019 FMR	\$1,029	\$1,204	\$1,508	\$2,119	\$2,461
FY 2018 FMR	\$938	\$1,127	\$1,418	\$2,031	\$2,351

Adams County, Colorado is part of the Denver-Aurora-Lakewood, CO MSA, which consists of the following counties: Adams County, CO; Arapahoe County, CO; Broomfield County, CO; Clear Creek County, CO; Denver County, CO; Douglas County, CO; Elbert County, CO; Gilpin County, CO; Jefferson County, CO; and Park County, CO. All information here applies to the entirety of the Denver-Aurora-Lakewood, CO MSA.

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. 2012-2016 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 FY2019 provided the estimate is statistically reliable. For FY2019, 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 2012-2016 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 FY2019 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2019.

2. HUD calculates a recent mover adjustment factor by comparing a 2016 1-year 40th percentile recent mover 2-bedroom rent to the 2012-2016 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2017 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2016 to annual 2017.
5. All estimates are then inflated from 2017 to FY2019 using a trend factor based on the forecast of gross rent changes through FY2019.
6. FY2019 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2019 FMRs may not be less than 90% of FY2018 FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. The following are the 2016 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Denver-Aurora-Lakewood, CO MSA.

Area	ACS ₂₀₁₆ 5-Year 2-Bedroom Adjusted	ACS ₂₀₁₆ 5-Year 2-Bedroom Adjusted	Ratio	Sample Size Category	Result
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	Standard Quality Gross Rent	Standard Quality Rent Margin of Error			
Denver-Aurora-Lakewood, CO MSA	<u>\$1,059</u>	\$8	$\frac{\$8}{\$1,059} = 0.008$	6	$0.008 < .5$ $6 \geq 4$ Use ACS ₂₀₁₆ 5-Year Denver-Aurora-Lakewood, CO MSA 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS₂₀₁₆ Margin of Error Ratio is less than .5, the ACS₂₀₁₆ Denver-Aurora-Lakewood, CO MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	FY2019 Base Rent
Denver-Aurora-Lakewood, CO MSA	\$1,059

- A recent mover adjustment factor is applied based on the smallest area of geography which contains Denver-Aurora-Lakewood, CO MSA and has an ACS₂₀₁₆ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Denver-Aurora-Lakewood, CO MSA – 2 Bedroom	<u>\$1,364</u>	\$29	0.021	6	$0.021 < .5$ $6 \geq 4$ Use ACS ₂₀₁₆ 1-Year Denver-Aurora-Lakewood, CO MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Denver-Aurora-Lakewood, CO MSA and has an ACS₂₀₁₆ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is Denver-Aurora-Lakewood, CO MSA.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Denver-Aurora-Lakewood, CO MSA is as follows:

ACS₂₀₁₆ 5-Year Area	ACS₂₀₁₆ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS₂₀₁₆ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Denver-Aurora-Lakewood, CO MSA – 2 Bedroom	\$1,059	\$1,364

Area	Ratio	Recent-Mover Adjustment Factor
Denver-Aurora-Lakewood, CO MSA	\$1,364 / \$1,059 = 1.288	1.288 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.288

4. The calculation of the relevant CPI Update Factors for Denver-Aurora-Lakewood, CO MSA is as follows: HUD updates the 2016 intermediate rent with the ratio of the annual 2017 local or regional CPI to the annual 2016 local or regional CPI to establish rents as of 2017.

	Update Factor	Type
CPI Update Factor	1.046	Local CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2017 to 2019. This makes Fair Market Rents "as of" FY2019.

National Trend Factor
1.0572

6. The FY 2019 2-Bedroom Fair Market Rent for Denver-Aurora-Lakewood, CO MSA is calculated as follows:

Area	<u>ACS₂₀₁₆ 5-Year Estimate</u>	<u>Recent-Mover Adjustment Factor</u>	<u>Annual 2016 to 2017 CPI Adjustment</u>	<u>Trending 1.0572 to FY2019</u>	FY 2019 2-Bedroom FMR
Denver-Aurora-Lakewood, CO MSA	\$1,059	1.288	1.046	1.0572	$\$1,059 * 1.288 * 1.0460 * 1.0572 = \$1,508$

7. In keeping with HUD policy, the preliminary FY 2019 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2019 2-Bedroom FMR	FY 2019 Colorado State Minimum	Final FY2019 2-Bedroom FMR
Denver-Aurora-Lakewood, CO MSA	\$1,508	<u>\$700</u>	\$1,508 ≥ \$700 Use Denver-Aurora-Lakewood, CO MSA FMR of \$1,508

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2019 FMRs By Unit Bedrooms					
	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2019 FMR	\$1,029	\$1,204	\$1,508	\$2,119	\$2,461

9. The FY2019 FMR must not be below 90% of the FY2018 FMR.

Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
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FY2018 FMR	\$938	\$1,127	\$1,418	\$2,031	\$2,351
FY2018 floor	\$844	\$1,014	\$1,276	\$1,828	\$2,116
FY 2019 FMR	\$1,029	\$1,204	\$1,508	\$2,119	\$2,461
Use FY2018 floor for FY2019?	No	No	No	No	No

Final FY2019 Rents for All Bedroom Sizes for Denver-Aurora-Lakewood, CO MSA

The following table shows the Final FY 2019 FMRs by bedroom sizes.

Final FY 2019 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2019 FMR	\$1,029	\$1,204	\$1,508	\$2,119	\$2,461

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: http://www.huduser.gov/portal/data_sets/fmr/fmrs/FY2019_code/2019summary.odn?&year=2019&fmrtype=Final&selection_type=county&fips=0800199999

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

- Adams County, CO
- Alamosa County, CO
- Arapahoe County, CO
- Archuleta County, CO
- Baca County, CO

Select a new county

Press below to select a different state:

Select a new state

Select a Final FY 2019 Metropolitan FMR Area:

Denver-Aurora-Lakewood, CO MSA

Select Metropolitan FMR Area

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Prepared by the [Economic and Market Analysis Division](#), HUD. Technical problems or questions? [Contact Us](#).