

RENTAL ATTAINABILITY REPORT

Housing Solutions of Northern Arizona surveyed 46 market rate apartment complexes (6639 units) and 10 income restricted complexes (730 units) between February and April 2018. The survey does not include on-campus student housing options. The following is a summary of survey results providing a glimpse into current housing attainability for Flagstaff, AZ residents.

SUGGESTED FAIR MARKET RENT

HUD's FY 2018 FMRs for Coconino County¹

\$782 for a studio.....	↑ 11%
\$920 for a one-bedroom	↑ 10%
\$1,129 for two-bedroom	↑ 8.9%
\$1,446 for a three-bedroom	↑ 10.5%



HUD's FY Fair Market rates **increased** from 2017 to 2018, by a significant margin. Despite this increase, the HUD rental limits are still approximately 20% below actual rental rates, according to the HSNA survey. In addition, HUD Fair Market Rents include the cost of utilities. The majority of market-rate rentals do not include all utilities. 89% of market-rate units **DO NOT** include electric expense in the rental rate, 64% **DO NOT** include gas in the rental rate, and 49% **DO NOT** include water in the rental rate.

ACTUAL RENTAL AVERAGES

According to 2018 market rate complex survey

\$738 for a room/shared living	↓ 5.7%
\$909 for a studio	↓ 3%
\$1,167 for a one-bedroom	↑ 0.54%
\$1,441 for two-bedroom	↑ 0.14%
\$1,865 for a three-bedroom	↑ 8.6%

🏠 AFFORDABILITY

- The HUD Fair Market Rent for a two-bedroom unit in Coconino county is **\$1,129**.
- According to survey results, the actual rent average for a two-bedroom unit was **\$1,441**.
- **In order to afford an average two-bedroom apartment** - without paying more than 30% of income on housing - a household must earn approximately **\$4,800 monthly, \$57,600 annually, or \$27.70 per hour** (assuming a 40-hour work week, and 52 weeks per year).
- **A Flagstaff renter earning current minimum wage, \$11.00 per hour, needs to work nearly 2^{1/2} fulltime jobs (100.8 hours per week)** to afford a two-bedroom unit at the rental rate average of \$1,441.

🏠 AVAILABILITY

3.03% of market rate units were available to rent when surveyed. 2.56% of market rate units were available in 2017.

0.54% of income restricted units were available to rent when surveyed. 0.27% income restricted units were available in 2017.

48 Approximate number of people on market-rate complex waiting lists. However, many complexes stated they no longer maintain waitlists and fill units on a "first come, first served" basis when there is a vacancy.

1250 Approximate number of households on income-restricted complex waiting lists. This is an increase of 58% from 2017, when 788 people were on the waiting lists.

NOTES OF INTEREST

- 25% of market-rate rental complexes participate in dynamic pricing and change their rental rates daily.
- 70% of market-rate rental complexes charge an application fee and 64% of market-rate complexes charge an administration or processing fee, in addition to a security deposit.
- 25% of market-rate rental complexes offer a non-refundable surety bond as an alternative to the deposit.

¹HUD User (2017). The final FY 2018 FMRs for all bedroom sizes. Retrieved from https://www.huduser.gov/portal/datasets/fmr/frms/FY2018_code/2018summary.odn