

## NEW RENTS TAKE EFFECT ON MARCH 13, 2011

Your agency, in conjunction with other Federal agencies, contracts with the Department of the Interior, National Business Center, to establish rental rates for your housing as required by *OMB Circular A-45 – "Rental and Construction of Government Quarters"* ([http://www.whitehouse.gov/omb/circulars\\_a045](http://www.whitehouse.gov/omb/circulars_a045)). According to A-45 regulations, your rents must be adjusted and recalculated every year, effective the first full pay period in March. New rents will take effect on March 13, 2011.

A-45 requires Federal housing rents to be set according to what you would pay for a similar housing unit in your nearest established community (NEC). To determine this, a survey of the private rental market in the region containing your NEC is done every four years. A new survey was just completed in the **Colorado/Utah/Wyoming (CU), Idaho/Montana (IM), Plains (PL) and Alaska (AK)** regions. If you are located in one of these regions, your rental rate will be recalculated in March 2011 to reflect current private rental market rates.

During the years in between surveys, your rent is adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index (CPI). Since the CPI is a national index, not localized to any specific community, it may not be keeping pace with the private rental market in your NEC during the interim years. Because the CPI is not localized, when a new survey is implemented to adjust rents to your NEC's current private rental market, large changes in rent may occur.

Your rent is based on the unique characteristics of your housing unit – the type of housing, square feet, bedrooms, bathrooms, age, and the appliances, utilities and services provided by your employer. For this reason, your rent (and the change in rent) will differ from your neighbor's. A printed copy of your "Housing Inventory" should have been provided to you. Review your Housing Inventory for accuracy. If you discover an error in the Inventory, contact your housing manager immediately for correction and recalculation of your rent.

When a new survey is implemented, if you believe the new rent is significantly more than you would pay in your NEC for the same size and type of housing unit, you may "request a reconsideration" or file an "appeal." Contact your housing manager for your agency's procedures. Because adjustments to your rent are required by Federal regulation, you cannot file an "appeal" simply because your rents have increased. Appeals must be filed in writing within 30 days of receipt of your rental notice, and you must include private rental market "comparables" to document that your rent was set incorrectly when compared to your NEC. Refer to your "MONTHLY BASE RENT COMPUTATION SCHEDULE" to identify the NEC used and the comparable "BASE RENT" for a similar unit in that community, not including any appliances, utilities or services that may be provided by the landlord.

For more information, please read the *Federal Tenant Brochure* at <http://www.nbc.gov/supportservices/pdf/TenantBrochure2009.pdf>, or contact your housing manager.