

CY 2025 FMR PAYMENT STANDARDS							
2025 FMR	SRO	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR/6 BR
100% PYMT STD	\$639.75	\$853	\$925	\$1,111	\$1,557	\$1,798	\$2,067.7/ \$2,337.40
110% PYMT STD	\$703	\$938	\$1,017	\$1,222	\$1,712	\$1,977	\$2,247/\$2,571
72704 PYMT STD	\$720	\$960	\$1,250	\$1,750	\$1,750	\$2,020	\$2,323/ \$2,626
72704 110% PYMT	\$792	\$1,056	\$1,144	\$1,375	\$1,925	\$2,222	\$2,555/ \$2,888

CY 2024 FMR PAYMENT STANDARDS							
2024 FMR	SRO	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR/6 BR
100% PYMT STD	\$653	\$871	\$924	\$1121	\$1580	\$1,847	\$2,124 / \$2,401
110% PYMT STD	\$718	\$958	\$1016	\$1233	\$1,738	\$2,031	\$2,336 / \$2,641
72704 PYMT STD	\$742	\$990	\$1,060	\$1,280	\$1,800	\$2,110	\$2,426/ \$2,743
72704 110% PYMT	\$816	\$1,089	\$1,166	\$1,408	\$1,980	\$2,321	\$2,669/ \$ 3,017

PREVIOUS PAYMENT STANDARDS							
	SRO	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR/6 BR
2023 FMR	\$594	\$792	\$840	\$1023	\$1454	\$1740	\$2000 / \$2262
2022 FMR	\$494	\$658/\$760	\$695/\$800	\$865/\$1,000	\$1,229/\$1,420	\$1,481/\$1,710	\$1,703/\$1,925
2021 FMR	\$434	\$637/\$670	\$680/\$710	\$858/\$900	\$1,116/\$1,290	\$1,350/\$1,560	\$1,552/\$1,755
2020 FMR		\$584	\$630/\$687	\$807/\$863	\$1,149	\$1,417	-

Key things to remember:

1. Payment Standards by ZIP CODE, 72704, has a higher pymt std.
2. Always give the utility allowance for "Other Electric" & "Air Conditioning"
3. If there is a water fee in the proposed rent, do not include the fee in the rent calculation, only the proposed rent is to be used
4. The water fee must be included in the utility allowance

Revised: 10.01.2024

Round Down Rule Applied



FY 2025 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2025 Fayetteville-Springdale-Rogers, AR MSA FMRs for All Bedroom Sizes

Final FY 2025 & Final FY 2024 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2025 FMR	\$853	\$925	\$1,111	\$1,557	\$1,798
FY 2024 FMR	\$871	\$924	\$1,121	\$1,580	\$1,847

Washington County, AR is part of the Fayetteville-Springdale-Rogers, AR MSA, which consists of the following counties: Benton County, AR; Madison County, AR; and Washington County, AR. All information here applies to the entirety of the Fayetteville-Springdale-Rogers, AR 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. **[Calculate the Base Rent](#)**: HUD uses 2018-2022 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2025, provided the estimate is statistically reliable. For FY2025, 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 2018-2022 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2025 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, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2025.

2. **[Calculate the Basis for Recent Mover Adjustment Factor](#)**: HUD calculates a recent mover adjustment factor by comparing an ACS 2022 1-year 40th percentile recent mover

2-bedroom rent to the ACS 2018-2022 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.

HUD first examines recent movers who have moved within the current year of the ACS survey. If there is no reliable local area estimate, HUD then examines those who have moved into their residence within the current year or preceding year of the ACS survey. Upon determining a reliable recent mover estimate, HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data.

3. **Adjust for Inflation**: In order to calculate rents that are "as of" 2023, HUD applies a gross rent inflation adjustment factor using data from commercial rent data sources and the Consumer Price Index. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. HUD combines this local measure of rent inflation with either the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

For areas without at least three of the six private rent data sources available, HUD uses a regional average of private rent inflation factors alongside the regional CPI rent of primary residence. HUD constructs the regional average by taking the rental unit weighted average of the change in rents of each area in a region that does have private rent data coverage. HUD averages the private and CPI shelter rent data with the year-to-year change in the CPI housing fuels and utilities index for the area in order to make the resulting inflation measure reflective of gross rents.

The private and CPI gross rent update factors are then combined using a weighting scheme which controls the national weighted average of the private and CPI gross rent factors to the national change in the ACS recent mover gross rent. The resulting weights assigned are as follows: $W_{2023} = 0.7499$ assigned to the private gross rent factor and $(1 - W_{2023}) = 0.2501$ assigned to the CPI gross rent factor.

4. **Calculate the Trend Factor**: To further inflate rents from CY2023 to FY2025, HUD uses a "trend factor" based on the forecast of CPI gross rent changes through FY2025.
5. **Multiply the Factors**: HUD multiplies the base rent by the recent mover factor, the gross rent inflation factor, and the trend factor to produce a rent that is "as of" the current fiscal year.
6. **Compare to the State minimum**: FY2025 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. **Calculate Bedroom Ratios:** HUD calculates "bedroom ratios" and multiplies these by the two-bedroom rent to produce preliminary FMRs for unit sizes other than two bedrooms.
8. **Compare to Last Year's FMR:** FY2025 FMRs may not be less than 90% of FY2024 FMRs. Therefore, HUD applies "floors" based on the prior year's FMRs.

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

1. **Base Rent Calculation**

The following are the 2022 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimates and margins of error for Fayetteville-Springdale-Rogers, AR MSA.

Area	ACS ₂₀₂₂ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₂₂ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Fayetteville-Springdale-Rogers, AR MSA	<u>\$879</u>	\$14	$\frac{\$14}{\$879}=0.01593$	6	$0.01593 < .5$ $6 \geq 4$ Use ACS ₂₀₂₂ 5-Year Fayetteville-Springdale-Rogers, AR MSA 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS₂₀₂₂ Margin of Error Ratio is less than .5, HUD uses the ACS₂₀₂₂ Fayetteville-Springdale-Rogers, AR MSA value for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent (Base Rent).

Area	FY2025 Base Rent
Fayetteville-Springdale-Rogers, AR MSA	\$879

2. **Recent Mover Adjustment Factor Calculation**

A recent mover adjustment factor is applied based on the smallest area of geography containing Fayetteville-Springdale-Rogers, AR MSA that has an ACS₂₀₂₂ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and a sufficient number of sample cases.

Area	ACS ₂₀₂₂ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₂ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Fayetteville-Springdale-Rogers, AR MSA – ACS 1-year recent mover 2 Bedroom	\$890	\$74	0.083	1	1 < 4 Do Not Use ACS ₂₀₂₂ 1-Year Fayetteville-Springdale-Rogers, AR MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Fayetteville-Springdale-Rogers, AR MSA – ACS 1-year recent mover All Bedroom	\$976	\$96	0.098	4	0.098 < .5 4 ≥ 4 Use ACS ₂₀₂₂ 1-Year Fayetteville-Springdale-Rogers, AR MSA All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The calculation of the relevant Recent-Mover Adjustment Factor for Fayetteville-Springdale-Rogers, AR MSA is as follows:

ACS ₂₀₂₂ 5-Year Area	ACS ₂₀₂₂ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₂₂ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Fayetteville-Springdale-Rogers, AR MSA – All Bedroom	\$923	\$976

Area	Ratio	Recent-Mover Adjustment Factor
Fayetteville-Springdale-Rogers, AR MSA	$\frac{\$976}{\$923} = 1.057$	$1.0574 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.0574

3. **Inflation Adjustment Factor Calculation**

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since Fayetteville-Springdale-Rogers, AR MSA is covered by at least 3 private data sources,

a local-based private rent factor is applied. Furthermore, since Fayetteville-Springdale-Rogers, AR MSA is not covered by a local-CPI rent area, a Region-based CPI gross rent factor is applied.

Components of 2023 Inflation Adjustment Factor for Fayetteville-Springdale-Rogers, AR MSA					
	R₂₀₂₃= Shelter Rent Change, 2022 to 2023	U₂₀₂₃ = CPI Annual Utilities Change, 2022 to 2023	C₂₀₂₃ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R₂₀₂₃ × (1-C₂₀₂₃) + U₂₀₂₃ × C₂₀₂₃)	Inflation Factor Type
P₂₀₂₃= Private Inflation Factor	1.08868	1.04245	0.18393	(1.08868 * 0.81607) + (1.04245 * 0.1839)= 1.08018	Local
CPI₂₀₂₃= CPI Inflation Factor	1.09805	1.04245	0.1504	(1.09805 * 0.8496) + (1.04245 * 0.1504)= 1.08969	Region

The 2023 Gross Rent Inflation Factor for Fayetteville-Springdale-Rogers, AR MSA is computed as follows:

= **CPI₂₀₂₃** × (1-**W₂₀₂₃**) + **P₂₀₂₃** × **W₂₀₂₃**

= (1.08969 × 0.2501) + (1.08018 × 0.7499)

= (0.272531) + (0.810027)

= **1.08256**

4. **Trend Factor Adjustment**

The calculation of the Trend Factor is as follows: HUD forecasts the change in gross rents from 2023 to 2025 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2025.

Trend Factor		Trend Factor Type
Trend Factor	1.10429	Region

5. **Combination of Factors**

The FY 2025 2-Bedroom Fair Market Rent for Fayetteville-Springdale-Rogers, AR MSA is calculated as follows:

Area	Base Rent	Recent-Mover Adjustment	Annual 2022 to 2023 Gross	Trending 2023 to	FY 2025 2-
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	<u>Factor</u>				<u>Rent Inflation Adjustment</u>			<u>FY2025</u>		Bedroom FMR
Fayetteville-Springdale-Rogers, AR MSA	\$879	*	1.0574	*	1.08256	*	1.10429	=		\$1,111

6. **State Minimum Comparison**

In keeping with HUD policy, the preliminary FY 2025 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2025 2-Bedroom FMR	FY 2025 Arkansas State Minimum	Final FY2025 2-Bedroom FMR
Fayetteville-Springdale-Rogers, AR MSA	\$1,111	<u>\$848</u>	\$1,111 ≥ \$848 Use Fayetteville-Springdale-Rogers, AR MSA FMR of \$1,111

7. **Bedroom Ratios Application**

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 2025 FMRs By Unit Bedrooms					
	<u>Efficiency</u>	<u>One-Bedroom</u>	Two-Bedroom	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2025 FMR	\$853	\$925	\$1,111	\$1,557	\$1,798

8. **Comparison to Previous Year**

The FY2025 FMRs for each bedroom size must not be below 90% of the FY2024 FMRs.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2024 FMR	\$871	\$924	\$1,121	\$1,580	\$1,847
FY2024 floor	\$784	\$832	\$1,009	\$1,422	\$1,663
FY 2025 FMR	\$853	\$925	\$1,111	\$1,557	\$1,798

Use FY2024 floor for FY2025?	No	No	No	No	No
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Final FY2025 Rents for All Bedroom Sizes for Fayetteville-Springdale-Rogers, AR MSA

Final FY 2025 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2025 FMR	\$853	\$925	\$1,111	\$1,557	\$1,798

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/datasets/fmr/fmrs/FY2025_code/2025summary.odn?&year=2025&fmrtype=Final&selection_type=county&fips=0514399999

Select a different area

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

Arkansas County, AR
Ashley County, AR
Baxter County, AR
Benton County, AR
Boone County, AR

Select a new county

Press below to select a different state:

Select a new state

Select a Final FY 2025 Metropolitan FMR Area:

Fayetteville-Springdale-Rogers, AR MSA

▼

Select Metropolitan FMR Area



FY2025 SMALL AREA FMRs FOR WASHINGTON COUNTY, AR

As of FY2025, HUD defines Small Areas using ZIP Codes within a metropolitan area or non-metropolitan county. Using ZIP codes as the basis for Small Area FMRs provides tenants with greater ability to move into "Opportunity Neighborhoods" with jobs, public transportation, and good schools. They also provide for multiple payment standards within a metropolitan area or non-metropolitan county, and they are likely to reduce the need for extensive market area rent reasonableness studies. Lastly, HUD hopes that setting FMRs for each ZIP code will reduce overpayment in lower-rent areas.

Washington County is part of the **Fayetteville-Springdale-Rogers, AR MSA.**

Washington County, AR Advisory Small Area FMRs By Unit Bedrooms					
ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
72701	\$850	\$920	\$1,110	\$1,560	\$1,800
72702	\$800	\$870	\$1,040	\$1,460	\$1,680
72703	\$810	\$880	\$1,060	\$1,490	\$1,720
72704	\$960	\$1,040	\$1,250	\$1,750	\$2,020
72717	\$800	\$870	\$1,040	\$1,460	\$1,680
72727	\$850	\$920	\$1,110	\$1,560	\$1,800
72728	\$800	\$870	\$1,040	\$1,460	\$1,680
72729	\$790	\$840	\$1,010	\$1,430	\$1,670
72730	\$1,000	\$1,080	\$1,300	\$1,820	\$2,100
72734	\$840	\$920	\$1,100	\$1,540	\$1,780
72735	\$800	\$870	\$1,040	\$1,460	\$1,680
72737	\$800	\$870	\$1,040	\$1,460	\$1,680
72738	\$790	\$840	\$1,010	\$1,430	\$1,670
72741	\$800	\$870	\$1,040	\$1,460	\$1,680
72744	\$840	\$910	\$1,090	\$1,530	\$1,760
72749	\$800	\$870	\$1,040	\$1,460	\$1,680
72753	\$790	\$840	\$1,010	\$1,430	\$1,670
72761	\$790	\$840	\$1,010	\$1,430	\$1,670

Washington County, AR Advisory Small Area FMRs By Unit Bedrooms					
ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
72762	\$890	\$970	\$1,160	\$1,630	\$1,880
72764	\$800	\$870	\$1,040	\$1,460	\$1,680
72765	\$800	\$870	\$1,040	\$1,460	\$1,680
72766	\$800	\$870	\$1,040	\$1,460	\$1,680
72769	\$790	\$860	\$1,040	\$1,430	\$1,670
72770	\$800	\$870	\$1,040	\$1,460	\$1,680
72773	\$790	\$840	\$1,010	\$1,430	\$1,670
72774	\$970	\$1,050	\$1,260	\$1,770	\$2,040
72948	\$790	\$840	\$1,010	\$1,430	\$1,670
72959	\$790	\$840	\$1,010	\$1,430	\$1,670

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