

## **Approving a Rent Increase**

The market analysis is the only factor taken into account when determining to approve a rent increase request. Unlike a new move, the tenant's affordability does not impact the amount CHA offers.

The market analysis uses the average of the three most similar comparables. CHA approves what the analysis supports without exceeding the proposed amount. If the comps support an increase from the current rent amount but not the amount requested, then CHA offers the amount determined by the market analysis.

See examples below:

## Scenario 1

Current Rent Amount-\$1200
Requested Rent Increase Amount-\$1400
Market Analysis-\$1400
CHA Offer-\$1400

## Scenario 2

Current Rent Amount-\$1400
Requested Rent Increase Amount-\$1600
Market Analysis-\$1500
CHA Offer-\$1500

If the market analysis determines a rent of less than the current amount, CHA allows the owner to keep the same amount <u>only</u> if at least one comparable supports the current rent. However, if no comparables support the current rent then CHA will lower the amount to what the market analysis determines. To prevent this, CHA advises owners to conduct their own market analysis prior to submitting rent increase requests.