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Affordable Housing Alert

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Revised FY 2025 fair market rents for New York City

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HUD's fiscal year 2025 fair market rents (FMRs) for the HUD's fiscal year 2025 NY HUD Metro FMR Area were reevaluated, resulting in a 10% increase over 2024 figures.



What's the impact?

- FY 2025 FMRs were increased for New York City, Boston, and several other jurisdictions after HUD reevaluated the FY 2025 FMRs
- Revised FY 2025 FMRs go into effect on April 28, 2025.

HUD publishes fair market rents (FMRs) each year. On August 14, 2024, HUD originally published a notice for FY 2025 FMRs, which would have resulted in reduction from FY 2024 FMRs for New York and would have become effective on October 1, 2024.

The notice included a procedure for requesting HUD's reevaluation of an area's FY 2025 FMRs. The reevaluation can have the effect of postponing the FY 2025 FMRs' effective date, allowing Section 8 agencies to continue using the FY 2024 FMRs or to use the FY 2025 FMRs. In this

instance, the New York City agencies chose to continue using the FY 2024 FMRs while seeking a reevaluation of the figures.

How are FY 2025 FMRs calculated?

HUD used older data, the 2022 American Community Survey data, in the calculation of the FY 2025 FMRs. The [revised FY 2025 FMRs](#) for New York are based on the results of the local rent survey conducted by the City of New York in December 2024. The revised FY 2025 FMRs and changes from FY 2024 FMR for New York by unit bedrooms are shown below:

Year	Zero Bedroom	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
FY 2025 FMR	\$2,406	\$2,511	\$2,780	\$3,465	\$3,738
FY 2024 FMR	\$2,386	\$2,451	\$2,752	\$3,434	\$3,700

Why are fair market rents important?

- / The Housing Choice Voucher Program, also known as Section 8, provides funding for rent subsidies for eligible low-income families for decent, safe, and affordable housing.
- / FMRs affect the Housing Choice Voucher Program, the Project Based Voucher Program, and payment standards under both.
- / The increased FMRs reflect the changes in the current market conditions and benefit tenants and landlords alike. The increase allows tenants to have better access to the housing market and landlords to raise rents within the allowable limits and have the increase covered by the additional subsidy, boosting potential revenue without residents needing to pay more out of pocket.

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