

KHC Utility Allowance Policy

LIHTC, HOME, and NHTF Funded Projects

On July 29, 2008, the Internal Revenue Service released final regulations regarding utility allowances for the Low Income Housing Tax Credit Program (LIHTC). The regulations permit Kentucky Housing Corporation (KHC) to offer multiple options for the calculation of project specific utility allowances. KHC has developed this policy to allow owners of multifamily properties funded with LIHTC, HOME, and NHTF more flexibility in determining an acceptable utility allowance (UA).

The nine utility allowance options are listed below and further explained throughout this policy:

1. Buildings Assisted by the Rural Housing Service (RHS)
2. Buildings with Rural Housing Assisted Tenants
3. Buildings Regulated by Housing and Urban Development (HUD)
4. Tenants Receiving HUD Rental Assistance

Options 1-4 are mandatory if applicable to the building/tenant. If none of the above apply, the following options are available:

5. Public Housing Authority (PHA) Utility Chart
6. Local Utility Company Estimate
7. [HUD Utility Schedule Model](#)
8. Energy Consumption Model
9. KHC Estimate (based on actual usage)

Important Updates for Projects Funded with HOME & NHTF

Per the 2013 Final HOME Rule, owners of projects funded with HOME and/or NHTF after August 22, 2013, can no longer use PHA Utility Charts (#5) when calculating the UA. If options 1-4 don't apply, the owner must choose between options 6-9. The date a project was "funded" refers to the date the HOME and/or NHTF Funding Agreement was executed (signed). For these projects, owners are required to submit UA requests annually. It is extremely important for owners to understand the tenant notification and KHC review timeline requirements (see timeline requirements graph). If UA's at these projects expire without new approvals, the project will be out of compliance. KHC does not send UA expiration notices.

General Information

- UA approvals are good for 12 months unless a new request is submitted more than 90 days prior to expiration of the current approval (see timeline requirements graph).
- Owners can alternate between available UA options from year to year.
- Owners are permitted to mix and match options 5-9 when available. For example, an owner may choose option #9 for the electricity and option #5 for water & sewer. It's the owner's responsibility to ensure the documentation submitted for

option #9 matches up with the effective date of option #5 (most PHA Charts are effective from 1/1 – 12/31).

- **All sub-metering arrangements must comply with regulation according to 26 CFR 1.42-10(e).** For example, if the owner/manager collects \$15 per month from each resident to cover the cost of the trash service, the \$15 would be considered part of the rent and would not be figured into the UA.
- KHC reserves the right to make exceptions when circumstances warrant and regulations allow.
- If your project falls within options 1-5 you do not need to notify KHC or obtain approvals from year to year. When choosing options 6, 7, 8, or 9, all required documentation should be submitted electronically to Matt Mulberry at: mmulberry@kyhousing.org.
- Questions should be directed to Matt Mulberry, toll-free in Kentucky at 800-633-8896, or 502-564-7630, ext. 479; TTY 711; by email: mmulberry@kyhousing.org.

UA Review Fees

- Requests for options 6, 7, 8, and/or 9 require a \$150 fee, per option, per project. KHC now offers online fee payments through TDCS. Once you've submitted your UA request, a member of the asset management team will add the fee to your project in TDCS.
- When combining UA options, the fee is cumulative. For example, if the project is using option #6 for water & sewer and option #8 for electric, the total fee is \$300.

Option Details and Required Documentation

*Options 1-4 are mandatory if applicable to the building/tenant.

1. Buildings Assisted by the Rural Housing Service

If a building receives assistance from the Rural Housing Service (RHS assisted building), the applicable utility allowance for all rent-restricted units in the building is the utility allowance determined under the method prescribed by the RHS for the building (whether the building or its tenants also receive other state or federal assistance).

2. Buildings with Rural Housing Service assisted tenants

If any tenant in a building receives RHS rental assistance payments (RHS tenant assistance), the applicable utility allowance for all rent-restricted units in the building (including any units occupied by tenants receiving rental assistance payments from HUD) is the applicable RHS utility allowance.

3. Buildings regulated by HUD

If neither a building nor any tenant in the building receive RHS housing assistance, and the rents and utility allowances of the building are regulated by

HUD (HUD-regulated buildings), the applicable utility allowance for all rent-restricted units in the building is the applicable HUD utility allowance.

*For HOME/NHTF projects funded on or after August 23, 2013, this option is referring to HUD's "Multifamily Housing Utility Analysis" as described in "Multifamily Notice H-2015-4". This is the method used for the normal Project Based Section 8 Program, and many other HUD programs, but it is important to note that the Housing Choice Voucher (HCV) program does not use this method on the units it "Project Bases". Thus, while the Project Based Section 8 UA is normally acceptable for HOME/NHTF, it is not acceptable if the Project Based units are from the HCV Program. HCV project based projects would still need to submit a UA request (options 6-9) to satisfy HOME/NHTF requirements.

4. Tenants receiving HUD rental assistance

If none of the rules in options 1 through 3 are applicable, the appropriate utility allowance for any rent-restricted unit(s) occupied by tenants receiving HUD rental assistance payments (HUD tenant assistance), the applicable Public Housing Authority utility allowance established for the Section 8 Existing Housing Program.

*Numbers 1-4 are mandatory if applicable to the building/tenant. If none of the above are applicable, the following options are available:

5. Applicable PHA Utility Chart

This option is no longer available to HOME projects funded on or after August 23, 2013. Also applies to NHTF.

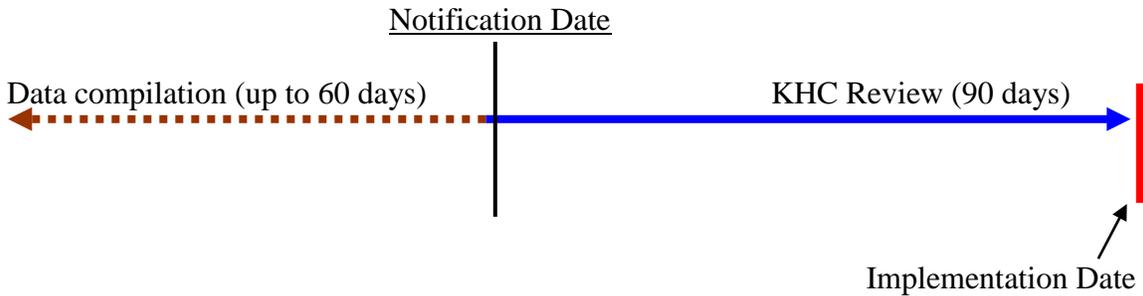
If the building/tenant is not applicable to numbers 1-4 above and an updated utility allowance has not been requested and approved under options 6-9 below, then the appropriate utility allowance for the building is the applicable PHA utility chart.

When using this option, it is the owner's responsibility to keep track of changes to the applicable PHA utility allowance chart and to implement them as appropriate. Housing Credit properties are required to implement the new rates within 90 days of their effective dates. Older properties funded with HOME only must implement the new rates at lease renewal. Under this option there is no need to send KHC a request for approval.

When combining this option with any of the options 6-9, there are additional timing requirements that must be met. Please see following sections for complete details.

TIMELINE REQUIREMENTS FOR OPTIONS 6-9

Options 6-9 must be renewed at least once every 12 months and must be timed so that the implementation date (see explanations below) of the proposed utility allowance is 12 months or less since the implementation of the previous year's utility allowance. In general, an owner will need to start the utility allowance request process 150 days prior to the proposed implementation date (see diagram below).



Data Compilation Phase

The project owner must compile data and calculate the utility allowance within the 60-day time frame before the notification date (date of submitting the information to KHC and notifying the tenants). The critical issue to keep in mind during this phase is that the most recent data used must be no older than 60 days prior to the notification date. This means that any utility rates used must have been collected and have an effective date during the 60-day period. For consumption information, the data must be for a 12-month period ending no earlier than 60 days prior to the notification date.

Notification Date

On the notification date, the project owner must have sent the proposed utility allowance and all supporting documentation to Kentucky Housing Corporation. The cover letter from the owner must identify the proposed notification date, which must be on or after the date the information is received by KHC. The owner must also make the estimates available to all tenants on the notification date.

KHC Review Phase

The notification date is day 1 of this 90-day phase. During this time frame, KHC will review the proposed utility allowance and the supporting documentation, as well as confirm that the \$150 fee has been paid. KHC may ask for additional information or require that the utility allowance be recalculated to address errors. This review does not provide the owner an assurance that the calculations were done appropriately. If deficiencies are identified, they must be resolved before implementation. Once KHC has completed a satisfactory review, an approval email will be sent indicating that it is ok to proceed with implementation.

Implementation Date

This is the first day after the end of the 90-day agency review phase (day 91) at which time the new utility allowance must be used to compute gross rents. The utility allowance cannot be implemented prior to the end of the 90-day period even if the owner receives a satisfactory review notice from KHC before that time. The proposed utility allowance cannot be implemented if a satisfactory review notice is not received from KHC.

If there are issues that prevent KHC from issuing a satisfactory review notice prior to the implementation date, the utility allowance will default to the appropriate PHA utility allowance. The PHA utility allowance would need to be used to compute gross rent until issues are resolved and KHC is able to issue a satisfactory review letter. One exception to this would be a case where a request was made earlier than necessary so that at the end of the KHC review period it is still less than 12 months since the implementation of the previous year's approved utility allowance. In that case, the previous year's utility allowance may continue to be used until it expires (12 months from implementation). The other exception would be a HOME project funded on or after 8/13/2013.

If the implementation date falls in between rent due dates, the new utility allowance must be used to calculate gross rent for the next due date for current residents. For example, if the implementation date is February 15, 2009, but rent is due on the first of the month, then the new utility allowance will not be used to calculate gross rents for current residents until March 1, 2009. However, households that are new renters as of or after the implementation date should have their gross rent calculated using the new utility allowance even if the lease signing occurs in the middle of the month. For example, if the implementation date is February 15, and on that date, you have a new household rent an apartment, the gross rent should be calculated using the new utility allowance even though it will not be used for current residents until March 1.

Special notes on combining option 5 with options 6 through 9

When combining option 5 with any of the options 6-9, the new PHA rate should not be implemented before the end of the 90-day KHC review period. Also, the owner must submit the entire proposed utility allowance package (including the PHA allowance being proposed) so that the notification date is the same date as the effective date of the PHA utility allowance. For example, KHC PHA utility charts normally have an effective date of January 1, which means they are normally implemented by the applicable projects on April 1. Therefore, if a project owner wants to combine the UA chart with another option, they would have to submit the entire package to KHC prior to or on January 1, along with a cover letter that identifies January 1, as the notification date.

If the project used nothing but the PHA utility allowances the previous year and implemented them prior to the 90 days, this will result in a time frame of slightly more than 12 months between implementation dates. That is ok in this one case.

One exception to the requirement of submitting the proposed utility allowance on the PHA allowance's effective date is if the project is being newly placed into service and needs a utility allowance for the first time. In that case, the submission can be made during the year but the UA will only be good until an updated PHA allowance is available. At that time, the project must submit a revised utility allowance package to KHC on the normal schedule as described above.

Proposed Utility Allowance Request Examples

1. On June 15, 2009, the owner obtains information from the appropriate utilities to calculate the utility allowance. The rates are effective as of the collection date (June 15). The consumption data is for the 12 months from May 16, 2008, to May 15, 2009. The utility allowance is calculated and information is submitted to KHC and made available to the tenants on July 31, 2009. This would be unacceptable because the consumption data ended prior to 60-days before the notification date.
2. On June 15, 2009, the owner obtains information from the appropriate utilities to calculate the utility allowance. The rates are effective as of the collection date (June 15). The consumption data is for the 12 months from June 6, 2008, to June 5, 2009. The utility allowance is calculated and information is submitted to KHC and made available to the tenants on July 31, 2009. During the review, KHC identifies significant issues or has questions that are not addressed in time for KHC to issue an approval prior to October 30, 2009 (implementation date). The proposed utility allowance is unacceptable and the appropriate PHA utility chart must be implemented on October 30, 2009 (not applicable to HOME projects funded on or after 8/13/2013).
3. During 2008, a project had an approved utility allowance with an implementation date of October 30, 2008. The project failed to submit a request for a new utility allowance within an appropriate time frame to get a new utility allowance implementation date on or before October 31, 2009. The project's applicable utility allowance, as of October 31, 2009, will be the appropriate PHA utility allowance until the project is able to receive an approved utility allowance through one of the other options (Not applicable to HOME projects funded on or after 8/23/2013).
4. An example of an acceptable utility allowance process: On June 15, 2009, the owner obtains information from the appropriate utilities to calculate the utility allowance. The rates are effective as of the collection date (June 15). The consumption data is for the 12 months from June 6, 2008, to June 5, 2009. The utility allowance is calculated and information is submitted to KHC and made available to the tenants on July 31, 2009. KHC does not identify any significant issues or questions about the utility allowance. KHC sends a notification email to the owner/manager of the acceptable review. The owner implements the new utility allowance on October 30, 2009 (first day after the 90 day KHC review period). On November 1, 2009, the new utility allowance is used to calculate gross rent for the current residents.

CONTINUING WITH OPTION DETAILS (6-9)

6. Local Utility Company Estimate

To use this option you must receive, in writing, from a local utility company (including combined rate charges from multiple companies), the estimated cost of the utilities for a similar sized unit and construction for the geographic area in which the building containing the unit is located. In cases where the residents of the building can choose between various utility providers, you only need to get rates from one of the providers. For example, if two solid waste companies serve the building and residents could choose either one of them, you only need an estimate from one of them.

Utility estimates must:

- a.** Come from the local utility company.
- b.** Be based on a unit of similar size and construction and not be generic information. For example, the estimate cannot base a one-bedroom apartment allowance for electric on an average residential charge that does not consider bedroom size or the fact that it is an apartment and not a house.
- c.** Consider taxes and fees on the utilities that the tenant must pay.
- d.** Not be adjusted after being provided by the utility company. If an unadjusted estimate from the utility company is not usable, then another utility allowance option must be used.

When using this option you must submit to KHC:

- a.** A fee of \$150 to cover the administrative review.
- b.** A cover letter that identifies the project, project number and states that option 6 is being chosen for the appropriate utilities.
- c.** List of the types of units (apartment, townhome, etc.), bedroom sizes (1br, 2br, etc.), square footages of the units and what the calculated rates are for those units.
- d.** A copy of all estimates provided by the local utilities companies and any supporting documentation they provided. Some sort of documentation must be provided indicating that the estimates were based upon the required information as described above.
- e.** A list of all utilities the tenant is responsible for paying and the utility allowance option that is being chosen for each one. This list should be broken out in the following categories:
 - i. Electric
 - ii. Gas
 - iii. Water
 - iv. Sewer
 - v. Trash collection
 - vi. Refrigerator (if tenant owned)
 - vii. Range (if tenant owned)

7. HUD Utility Schedule Model

A building owner may calculate a utility estimate using the HUD Utility Schedule Model located at: <https://www.hudexchange.info/trainings/courses/hud-utility-schedule-model-calculating-utility-allowances-for-home-webinar1/>

The link above takes you to the instructional video, which is very helpful and all first-time users should watch it carefully. The links to the HUD model are listed below the video under “Related Links”. You may use the web-based model, or excel spreadsheet.

All calculations must be made available to the tenants in the building.

In order to use this method, you must submit to KHC:

- a. A fee of \$150 to cover the administrative review.
- b. A cover letter that identifies the project, project number, proposed notification date and states the option choice of 7 for the appropriate utilities.
- c. List of the types of units (apartment, townhome, etc.), bedroom sizes (1br, 2br, etc.), square footages of the units and what the calculated rates are for those units.
- d. An electronic copy of the completed HUD Utility Schedule Model for the project.
- e. Hard copies of all supporting documentation such as copies of bills and letters from the utility companies showing the rates, taxes and fees.
- f. A list of all utilities the tenant is responsible for paying and the utility allowance option that is being chosen for each one. This list should be broken out in the following categories:
 - i. Electric
 - ii. Gas
 - iii. Water
 - iv. Sewer
 - v. Trash collection
 - vi. Refrigerator (if tenant owned)
 - vii. Range (if tenant owned)
- g. A sheet showing the calculations input into the model. The instructional video explains how and where to input fees and taxes. Depending on how a utility company bills, you may be required to combine certain fees and taxes. The top section of the model deals with costs per unit of utility usage, while the bottom section will require you to input taxes and other fees that might deal with percentages of the total bill. We ask that you show us your math and include any notes on how you came up with your figures on a separate sheet. KHC is aware that certain sections of the HUD Model can be confusing and open to interpretation. Showing your calculations and explaining their structure will help us understand the figures you came up with and allow us to make a more informed decision.

8. Energy Consumption Model

A building owner may calculate utility estimates using an energy and water and sewage consumption and analysis model (energy consumption model). The energy consumption model must, at a minimum, consider specific factors including, but not limited to, unit size, building orientation, design and materials, mechanical systems, appliances and characteristics of the building location.

The utility consumption estimates must be calculated by either a properly licensed engineer or architect. The building owner and the engineer/architect must not be related within the meanings of Section 267(b) or 707(b) of the appropriate IRS regulations. You may contact Matt Mulberry for a listing of current providers of this service.

The first year an energy consumption model is used on a building, the accuracy of the model must be verified using actual consumption information from the building. This information should, at a minimum, be equivalent to the information collected for the KHC provided utility allowance under option 9(a). The engineer/architect must show that the results of their energy consumption model are within 10 percent of the amount determined by using the method described in option 9(a). If the variance is more than this and the engineer/architect feels that his/her model is more representative of a typical year, a detailed explanation of such reasoning must be included. An example of such would be a case where the engineer/architect could show that the winter months contained in the actual consumption data were significantly colder than the average, while the summer months were not significantly hotter than the average over the past ten years.

Once every ten years the energy consumption model must be re-verified/calibrated with actual consumption information as described in the paragraph above. However, the owner must submit the updated utility allowance information every 12 months as described in the timeline section.

In the case of newly constructed or renovated buildings with less than 12 months of consumption data, the engineer/architect may use consumption data for the 12-month period of units of similar size and construction in the geographic area (general region of the state) in which the building containing the units is located. However, at the next utility update when 12 months of data for the specific building are available, the energy consumption model must be verified as described above using the consumption data for that specific building. For example, a building that is being placed in service on July 1, 2009, would have a utility allowance notification date of April 2, 2009 (90 days before the implementation date). On April 2, 2010, the owner will need to submit a new utility allowance packet to KHC (for the rates to be implemented on July 1, 2010). However, the project will still not have 12 full months of consumption data for the specific building. Therefore, the energy consumption model will not be verified with the actual buildings consumption data until the owner submits a

utility allowance packet on April 2, 2011. Every 12 months thereafter the project will need to complete the process of requesting an updated utility allowance but verification/calibration with actual consumption data will not be required again until 2021.

In order to use this method, you must submit to KHC:

- a) A fee of \$150 to cover the administrative review.
- b) A cover letter that identifies the project, project number, proposed notification date and states the option choice of 8 for the appropriate utilities.
- c) List of the types of units (apartment, townhome, etc.), bedroom sizes (1br, 2br, etc.), square footages of the units and what the calculated rates are for those units.
- d) Letter from the engineer/architect stating that they are not related to the owner within the meanings of Section 267(b) or 707(b) of the appropriate IRS regulations.
- e) A complete copy of the energy consumption model projection. This should show the steps of the process, the projected consumptions, as well as the dollar amounts including taxes and fees.
- f) Copies of all supporting documentation such as letters from the utility companies showing the rates, taxes and fees.
- g) If this is the first year, or the first year of verification with actual building consumption or a re-evaluation year, please include all information associated with the verification process as described above.
- h) A list of all utilities the tenant is responsible for paying and the utility allowance option that is being chosen for each one. This list should be broken out in the following categories:
 - i. Electric
 - ii. Gas
 - iii. Water
 - iv. Sewer
 - v. Trash collection
 - vi. Refrigerator (if tenant owned)
 - vii. Range (if tenant owned)
- i) A sheet showing us your math. This should be a handwritten or in excel format, step-by-step outline of the UA calculations used. **Please note, ALL final UA figures should be rounded up to the next whole dollar.** For example, if your electricity calculation ends up being \$65.09, you should round up to \$66.

9. Request an estimate from KHC

All allowances provided under this option are based upon information submitted by the property owner. Therefore, the owner assumes full responsibility and accepts the consequences if the information is later determined to be inaccurate.

9(a). Projects with 12-or-more months of occupancy

All projects that have been sufficiently occupied for a period of 12-or-more months must provide actual expenses for the project. The request must include:

- a. A fee of \$150 to cover the administrative review.
- b. A cover letter identifying the project name, proposed notification date and states the option of 9(a) for the appropriate utilities. It must also show number of units broken out by:
 - (i) Type (apartment, duplex, house, etc.).
 - (ii) Bedroom size (1br, 2br, etc.).
 - (iii) Square footage (should be broken out if there is a difference of more than 15 percent within any category. For example, if a project has 24 two-bedroom units but half are 800 square feet and half are 1,000 square feet, these units need to be shown as two separate groups and the final UA for that bedroom size should include equal numbers of each of the square footage sizes).
 - (iv) Proposed utility allowance for each type/bedroom size
- c. A copy of the building status report that has been completed to coincide with the term of consumption data. For example, if the consumption data is from September 2008 thru August 2009, the building status report should be completed to cover the same dates.
- d. A list of all utilities that the tenant is responsible for paying and the utility allowance option that is being chosen for each one. This list should be should be broken out in the following categories:
 - i. Electric
 - ii. Gas
 - iii. Water
 - iv. Sewer
 - v. Trash collection
 - vi. Refrigerator (if tenant owned)
 - vii. Range (if tenant owned)
- e. A completed “KHC Utility Allowance Request Option 9 Spreadsheet.” The spreadsheet is located on KHC’s Website next to this policy. Please include the excel version of this worksheet with your submission as we may need to make corrections/adjustments. Please identify the project name and project number on the worksheet.
- f. Documentation from the utility company detailing the rates charged, fees and taxes. If no figures are listed for fees or taxes, the documentation from the utility company must clearly indicate there are no additional fees or taxes charged to the tenant. Please remember that the rates, fees and taxes must be collected and be effective during the 60-day data compilation phase as described in a previous section of this policy.
- g. 12 months of consumption data (gallons of water, kilowatts of electricity, etc.). It is assumed that trash collection will have a flat charge and not be based on volume but consumption data should be provided if the fee is based on volume. All consumption data must be for 12 consecutive

months for the current tenant. Please see the timeline requirements as described in a previous section of this policy. **You cannot use information on any unit that was unoccupied for any amount of time during the year.** If this is not possible due to a unique circumstance, please contact KHC.

- h.** A sheet showing us your math. This should be a handwritten, or in excel format, step-by-step outline of the UA calculations used. **Please note, ALL final UA figures should be rounded up to the next whole dollar.** For example, if your electricity calculation ends up being \$65.09, you should round up to \$66.

In determining the minimum number of units that you must submit usage data on, use this percentage for each bedroom size and type (Please show the bedroom size and type on all data submitted.):

- 10 units or less = at least 40%
- 11 units or more = at least 25%

Companies generally require a release from the tenant before providing utility information. The HUD Occupancy Handbook 4350.3 contains a sample form that may be used or a project may choose to draft a form. A sample Tenant Release and Consent for Utility Information form can be found on KHC's Compliance Web page.

9(b). Projects without 12 consecutive months of occupancy

New projects that do not yet have an actual consumption history may request KHC provide an estimate based upon other acceptable information provided by the owner. This request must include:

- a.** A fee of \$150 to cover the administrative review.
- b.** A cover letter identifying the project name, reason for a lack of 12 months consumption data, proposed notification date and states the option choice of 9(b) for the appropriate utilities. It must also show number of units broken out by:
 - (i) Type (apartment, duplex, house, etc.)
 - (ii) Bedroom size (1br, 2br, etc.)
 - (iii) Square footage (should be broken out if there is a difference of more than 15 percent within any category. For example, if a project has 24 two-bedroom units but half are 800 square feet and half are 1,000 square feet, these units need to be shown as two separate groups and the final UA for that bedroom size should include equal numbers of each of the square footage sizes).
 - (iv) Proposed utility allowance for each type/bedroom size
- c.** Two completed "KHC Utility Allowance Request Option 9 Spreadsheets" (located on KHC's Web site). One spreadsheet should show consumption information for similar units in the same general area of the state (give

basic info on the comparative project, name, location, age, square footage, etc.). The rate, fee and tax information should be for the subject project (not the comparative project). The utility allowance computed by this comparative spreadsheet will be the proposed utility allowance. KHC will examine the other information that was submitted to see if it should be adjusted. All consumption data for the subject property, if any exists, should be shown on the second spreadsheet along with the appropriate rates, taxes and fees. The spreadsheet is located on KHC's Web site next to this policy. Please identify the project name and project number in the e-mail.

- d. Documentation from the utility company detailing the rates charged, fees and taxes. If no figures are listed for fees or taxes the documentation from the utility company must clearly indicate there are no additional fees or taxes charged to the tenant. Please remember that the rates, fees and taxes must be collected and be effective during the 60-day data compilation phase as described in a previous section of this policy.
- e. 12 months of consumption data on the comparative project (gallons of water, kilowatts of electricity, etc.). It is assumed that trash collection will have a flat charge and not be based on volume but consumption data should be provided if the fee is based on volume. All consumption data must be for 12 consecutive months for the current tenant. Please see the timeline requirements as described in a previous section of this policy. **You cannot use information on any unit that was unoccupied for any amount of time during the year.** If this is not possible due to a unique circumstance, please contact KHC.
- f. A sheet showing us your math. This should be a handwritten, or in excel format, step-by-step outline of the UA calculations used. **Please note, ALL final UA figures should be rounded up to the next whole dollar.** For example, if your electricity calculation ends up being \$65.09, you should round up to \$66.

In addition to the consumption data listed above for the comparative project, available consumption data for the subject property should be submitted.

In determining the minimum number of units that you must submit usage data on, use this percentage for each bedroom size and type (Please show the bedroom size and type on all data submitted.):

10 units or less = at least 40%

11 units or more = at least 25%

Companies generally require a release from the tenant before providing utility information. The HUD Occupancy Handbook 4350.3 contains a sample form that may be used or a project may choose to draft a form. A sample Tenant Release and Consent for Utility Information form can be found on KHC's Compliance Web page.