

Supporting Statement for Paperwork Reduction Act Submissions
Rental Housing Finance Survey (RHFS)
OMB Number: 2528-0276

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

HUD requests clearance for the proposed questions to be used on the 2024 Rental Housing Finance Survey (RHFS). Data collection will occur between June 24, 2024, and November 30, 2024.

Estimates derived from the RHFS sample will help public and private stakeholders better understand the financing, operating costs, and property characteristics of the rental housing stock in the United States. Many of the questions are similar to those found on the 1995 Property Owners and Managers Survey, the rental housing portion of the 2001 Residential Finance Survey, and the 2012, 2015, 2018, and 2021 RHFS.

Title 12, United States Code, Sections 1701z-1 and 1701z-2(g) provide authority to collect this information. Title 13, U.S.C., Section 8b provides the U.S. Census Bureau authority to collect this information for the Department of Housing and Urban Development (HUD). The collected data will be protected by the confidentiality provisions of Title 13, U.S.C., Section 9.

The 2024 RHFS questionnaire content is substantially similar to the 2021 RHFS questionnaire, with the following exceptions:

- a. Addition of one question about military-owned housing: This question will identify properties that are owned by the military. These properties will receive a limited set of questions as all the questions do not make sense for these types of properties.
- b. Addition of one question about manufactured homes: This question will help determine if a property should be considered out-of-scope.
- c. Addition of two questions about property addresses being part of a larger complex: These questions will help determine if the property was defined accurately and that will provide more accurate data. Additionally, these questions will help determine duplicate cases, i.e., multiple sample addresses belonging to the same property.
- d. Addition of one question about appraisal waivers: In conversations with the Federal Housing Finance Administration (FHFA), they noted that appraisal waivers are becoming more common, but that more data is needed on them. This question will therefore allow HUD to gather more information on the extent of the use of appraisal waivers.

- e. Addition of one question about how rental payments are received: This question will allow HUD to understand how rent payments are received, potentially identifying sources of data on rents that would be timelier than surveys like ACS. Because there is some preliminary evidence that landlords have been slower than other industries to move to online payment systems, this question would allow us to gain a baseline understanding of which forms of payments landlords accept.
 - f. Addition of two questions about rental units that were previously available as long-term rentals: These questions will allow HUD to assess the effect of AirBNB and similar short-term rental arrangements on housing markets.
 - g. Addition of two questions about rental application fees: These questions will allow HUD to better understand the upfront costs of renting units that may be applied in altering rules on the use of voucher subsidy funds to improve voucher recipients' leasing success.
 - h. Addition of one question about security deposits: This question will allow HUD to better understand the upfront costs of renting units that may be applied in altering rules on the use of voucher subsidy funds to improve voucher recipients' leasing success.
 - i. Addition of three questions about ownership of additional properties: These questions will allow HUD to better distinguish institutional investors from mom-and-pop landlords.
 - j. Addition of one question about green mortgages: This question will allow HUD to understand how its loan programs could be improved in a way that helps multifamily rental property owners reduce their operating expenses and improve the nation's rental housing stock. The question can also help gauge the level of public interest among rental property owners in making green improvements and their perception of the return on investment for those improvements. When applicable, government-sponsored entities (GSE) can use various multifamily green building certifications that a rental property owner may already have to offer preferential loan pricing. GSEs can also use rental property owner commitments to make improvements that reduce energy and water consumption by specific levels to offer incentives like preferential pricing, free energy audits and additional loan proceeds.
 - k. Reinstating a previously removed question about condominiums: This question identifies properties that are individually owned condominiums and helps ensure the accuracy of the data.
 - l. Removal of one question about the percentage of units available for daily or weekly rental.
2. Indicate how, by whom and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

For RHFS, the Census Bureau interviews owners and managers of rental properties. When possible, the Census Bureau will attempt to interview property owners, the entity liable for the financial disposition of properties. If an owner cannot be identified or reached, the Census Bureau will interview the managers. At times, interviews with both owners and managers may have to be conducted in the course of the survey, as each may possess distinct portions of the necessary information to complete the survey.

The Census Bureau's first contact with the owner/manager will be an advance letter providing them with an overview of the survey, the interview procedure, types of questions covered, and confidentiality. The Census Bureau anticipates only a few respondents will ask for additional time to fill out the questionnaire. Respondents will complete the survey using the Internet instrument hosted by the Centurion system.

Various stakeholders have great interest in the data that will be collected through this survey. With these data, the survey sponsor HUD, can gain a better understanding of rental loan origination volumes, property characteristics associated with these originations, and operating cost and revenue characteristics for the rental housing stock in the United States. The RHFS will play an important role in enabling the Federal Housing Finance Agency to fulfill its requirements to set affordable housing goals for the Government-Sponsored Enterprises (GSEs) and to develop standards for underwriting rental property mortgages. The RHFS data can be used to provide a statistically representative picture of rental property financing and critical components of the national income accounts.

National and local policy analysts, program managers, budget analysts, and Congressional staff can use the RHFS data to advise the executive and legislative branches about financial characteristics of the rental housing stock in the United States and the suitability of public policy initiatives. The data will also help analysts to determine which properties take the most advantage of various government programs, and where changes to programs might be advisable.

Academic researchers and private organizations will use the RHFS data in efforts of specific interest and concern to their respective communities. For example, no national data are available currently on such items such as rent concessions and expenses or capital improvements.

The rental housing industry will be able to use the data to benchmark individual project performance against national data to help them make better business decisions. Rental housing is critical to solving the nation's affordable housing problems, and potential investors in the rental housing market will gain a better understanding of the ownership and financing structures of the industry with these data.

The Bureau of Economic Analysis (BEA) uses the RHFS data in preparing key investment components in the National Income and Product Accounts (NIPAs) and the Fixed Assets Accounts (FAAs). The specific data that the BEA anticipates using are capital improvements, legal form of ownership, property types and rent concessions.

Information quality assessment is an integral part of the pre-dissemination review of information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality assurance is also integral to information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

a. Data Collection

The Census Bureau will collect the 2024 RHFS data using a web-based application. The Enterprise Internet Solutions (EIS) area of the Application Development and Services Divisions (ADSD) will host a web-based instrument. The web instrument will be hosted on the fully certified and accredited Centurion system (infrastructure, security, and framework).

b. Data Dissemination

The Census Bureau will make the information collected on the RHFS available to the public on its Internet website. The website will also contain an extensive set of tables for the user's convenience.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

HUD consulted with other government agencies and determined that RHFS is the only data source with detailed information on the mortgage financing of rental properties.

Although housing data are collected as part of the American Housing Survey (AHS), American Community Survey (ACS) (Census Bureau), Consumer Expenditure Survey (CES) (Bureau of Labor Statistics), and the Residential Energy Consumption Survey (RECS) (Department of Energy), these surveys provide none of the extensive level of detailed information on rental housing expenses and financing available from the RHFS.

Fannie Mae and Freddie Mac data sources contain financial information for multifamily rental properties with securitized mortgages. Although this information is substantially similar to mortgage information collected in the RHFS, Fannie Mae's and Freddie Mac's multifamily rental property portfolios are not representative of all multifamily rental properties.

5. If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.

HUD and the Census Bureau designed the RHFS questions to obtain the required information. HUD and Census anticipate that many RHFS respondents are small businesses or sole proprietors. To minimize the response burden for small business, sole proprietors, and other business types, HUD and the Census Bureau developed an Internet instrument to allow respondents to self-administer the survey.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The RHFS is conducted every three years. Less frequent enumerations would impair HUD's ability to monitor GSE goal compliance on a timely basis. It would also reduce the HUD's ability to detect changes in severe housing needs. Without this ability, the Administration and Congress would be less able to formulate policy on rental housing finance and rental assistance.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- requiring respondents to report information to the agency more than quarterly; **N/A**
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; **N/A**
- requiring respondents to submit more than an original and two copies of any document; **N/A**
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years; **N/A**
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study; **N/A**
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB; **N/A**
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or **N/A**
- requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law. **N/A**

We collect the data in a manner consistent with OMB guidelines, and there are no special circumstances.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

- Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping disclosure, or reporting format (if any) and the data elements to be recorded, disclosed, or reported.

- Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that preclude consultation in a specific situation. These circumstances should be explained.

Approximately 50 prospective data users, from diverse areas of interest, were consulted while developing the 2012 RHFS questionnaire. Responses received from these data users had considerable effect on the content on the 2012 and subsequent years of the RHFS . There were no major problems that could not be resolved during consultation.

In preparation for the 2024 RHFS, HUD made a presentation on RHFS data in Fall 2022 to the Federal Housing Finance Administration (FHFA) and subsequently met with FHFA staff to discuss multifamily finance data needs. The discussions resulted in the addition of a question on green mortgages to the 2024 RHFS.

The 60-day Federal Register Notice was published on Friday, July 24, 2023, FR 88 pg., 45233. During the 60-day Federal Register Notice review period, HUD did not receive comments.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

HUD and the Census Bureau do not give RHFS respondents payments or gifts.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation or agency policy. If the collection requires a system of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

The Census Bureau collects these data in compliance with the Privacy Act of 1974 and OMB Circular A-108. The Census Bureau will make an attempt to identify property owners and/or managers prior to data collection by conducting an address matching operation and Internet research. The Census Bureau will send each RHFS respondent an advance letter (RHFS-03(L)). The advance letter will contain the information required by this act.

The letter informs the respondents of the voluntary nature of this survey and states there are no penalties for failure to answer any question. The letter will explain why the information is being collected, how it will be used, and how to respond to the survey. The letter will display the OMB control number and date of expiration.

For interviews conducted by telephone, if the respondents inquire as to the purpose of the survey, the Census Bureau field staff will provide a verbal explanation that includes the information required by the Privacy Act.

The advance letter states that all information respondents give to the Census Bureau employees is held in strict confidence by Title 13, United States Code. Each employee has taken an oath to this

effect and is subject to a jail term, fine or both, if he/she discloses any information given to him/her.

The introductory screen to the Internet instrument contains the OMB control number and date of expiration, the citation of authority to collect the data, and the respondent burden statement.

The data collected under this agreement are confidential under Title 13, U.S.C., Section 9. Should the HUD staff require access to Title 13 data from this survey to assist in the planning, data collection, data analysis, or production of final products, those staff members are required to obtain Census Bureau Special Sworn Status (SSS). They must demonstrate that they have suitable background clearance and they must take Data Stewardship Awareness Training.

Any access to Title 13 data at HUD is subject to prior approval by the Census Bureau's Data Stewardship Executive Policy Committee upon assurance that the HUD facility and information technology security meet Census Bureau requirements.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

The 2024 RHFS does not include any questions of a sensitive nature . In cognitive testing for the 2021 RHFS, some participants found the question about property owners accepting HUD vouchers to be sensitive. The question was changed to ask if the property had rented to a tenant with a HUD voucher in the past.

12. Provide estimates of the hour burden of the collection of information. The statement should:
 - Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices;
 - If this request covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in chart below; and
 - Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

HUD and the Census Bureau estimate the actual number of eligible RHFS respondents to be 10,000. See the table below.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost per Response	Annual Cost
RHFS	10,000	1	10,000	1	10,000	\$40.51	\$405,100

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet shown in Items 12 and 14).

- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s) and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities;
- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10) utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is the type and scope normally carried in office records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual and customary business practices and not specifically required for this information collection.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

2024 RHFS operations span three fiscal years (2023, 2024, and 2025). Across all three fiscal years, the Census Bureau and HUD estimate the cost to the government for the 2024 RHFS program to be about \$7.03 million, all borne by HUD. The figure provided represents the total cost of a three-year cycle consisting of data collection preparation, data collection, data review, and creation and release of data products.

Estimated Labor Cost by Functional Area	FY 2023	FY 2024	FY 2025	Total
Survey management, requirements, analysis	\$461,500.00	\$567,500.00	\$502,500.00	\$1,531,500.00
Project management and coordination	\$54,000.00	\$60,000.00	\$48,000.00	\$162,000.00
Methodology	\$460,000.00	\$385,000.00	\$462,500.00	\$1,307,500.00
Centurion instrument	\$0.00	\$121,400.00	\$37,500.00	\$158,900.00
Field case management system	\$0.00	\$224,700.00	\$45,600.00	\$270,300.00
Printing, mailout, respondent inquiries	\$0.00	\$50,000.00	\$6,000.00	\$56,000.00
Centurion output data processing	\$0.00	\$50,000.00	\$5,000.00	\$55,000.00
Other data processing	\$12,500.00	\$28,000.00	\$16,000.00	\$56,500.00
Table Creator maintenance	\$10,000.00	\$16,500.00	\$16,900.00	\$43,400.00
Total Labor Cost (excluding field operations)	\$998,000.00	\$1,503,100.00	\$1,140,000.00	\$3,641,100.00
Field Staff Training (includes labor, travel, etc.)	\$1,000.00	\$300,000.00	\$0.00	\$301,000.00
Field Data Collection (includes labor, travel, etc.)	\$0.00	\$1,316,000.00	\$1,750,000.00	\$3,066,000.00
Other Direct Costs				
Postage	\$0.00	\$8,900.00	\$0.00	\$8,900.00
Printing	\$1,000.00	\$10,000.00	\$0.00	\$11,000.00
Overall Total Cost	\$1,000,000.00	\$3,138,000.00	\$2,890,000.00	\$7,028,000.00

15. Explain the reasons for any program changes or adjustments reported in Items 12 and 14 of the Supporting Statement.

The 2024 RHFS questionnaire includes the addition of several new questions as set forth in Section 1, the Necessity of Information Collection, above, as well as the removal of one question. Based on the response time estimates for each new question, however, the response time burden is not expected to increase to over one hour from these new questions. As such, there is no expected net increase in burden from the 2021 RHFS.

16. For collection of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The RHFS data collection is scheduled to begin in June 2024 and continue through November 2024. Following data collection, Census will conduct quality control, statistical weighting and data preparation from December 2024 through May 2025.

After these processes are complete, the Census Bureau will produce four products. The products and their release data are as follows:

Product	Release Date
RHFS Internal Use File	December 16, 2025
RHFS summary table estimates	December 16, 2025
RHFS sample design and miscellaneous user documentation	December 16, 2025
RHFS Public Use File	May 31, 2026

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

HUD will display the expiration date for OMB approval for this Information Collection.

18. Explain each exception to the certification statement identified in item 19.

HUD does not request an exception to the certification of the information collection.

B. Collections of Information Employing Statistical Methods