

## **15 FAM 220**

# **RENTAL BENCHMARK PROGRAM**

*(CT:OBO-19; 10-27-2010)*  
*(Office of Origin: OBO)*

### **15 FAM 221 PURPOSE**

*(CT:OBO-19; 10-27-2010)*  
*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*The Rental Benchmark Program (RBP), initially introduced as the Rental Benchmark Initiative (RBI), operates under the direction of the Office of Real Property Management, in the Directorate of Planning and Real Estate, in the Bureau of Overseas Buildings Operations (OBO/PRE/RPM). This program promotes the cost-effective acquisition of short-term leased (STL) residential property and more efficient management of housing programs at overseas posts. All posts, with the exception of posts with fewer than 10 short-term-leased residential properties, unaccompanied posts, and posts without an established rental housing market, must participate in the RBP. It is anticipated that 180 posts will come into the RBP.*

### **15 FAM 222 RENTAL BENCHMARKS**

*(CT:OBO-19; 10-27-2010)*  
*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*Rental benchmarks are set for all categories of housing at posts participating in the Rental Benchmark Program (RBP). The rental benchmarks are developed in consultation with post based on the current cost of short-term leased (STL) residential properties in post's existing housing inventory, rental market surveys provided by post, and analysis of local rental market information from independent sources. Rental benchmarks are reviewed by the Office of Real Property Management (OBO/PRE/RPM) in consultations with posts and can be adjusted to reflect increases or decreases in local-market rental rates. Rental benchmarks replace the \$25,000 threshold for mandatory lease waivers noted in 15 FAM 224. Waiver requests remain mandatory for all functional properties, all designated residences, all housing assignments that exceed the space standards for the rank and family size of the occupant, and for all leases in excess of \$50,000 per year.*

## **15 FAM 223 RBP - POST AUTHORITY**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

- a. *Under the Rental Benchmark Program (RBP), OBO grants authority to post, for a period of 1-year (renewable), to sign short-term residential leases, without waiver approval for residences that meet all of the following:*
  - (1) *Fall within the approved residential rental benchmarks;*
  - (2) *Are within established space standards for the occupant; and*
  - (3) *Have rental rates under \$50,000 per year for the term of the lease.*
- b. *In addition, posts participating in the RBP must:*
  - (1) *Maintain a current and accurate automated real property application (RPA) database; and*
  - (2) *Provide required documentation to OBO regarding leasing of functional and designated properties.*

## **15 FAM 224 RBP - REQUIRED LEASE WAIVERS**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*Posts participating in the Rental Benchmark Program (RBP) must submit lease waivers by electronic lease waiver request (E-LWR) to OBO for:*

- (1) *All short-term leased (STL) residential property that exceeds approved rental benchmarks;*
- (2) *All housing assignments that exceed the maximum space standards allowed for the occupant, whether a new or renewal lease or a housing assignment to a U.S. Government-owned property;*
- (3) *All residential leases that have an annual rent in excess of \$50,000;*
- (4) *All functional leases regardless of cost; and*
- (5) *Leases for all designated residences regardless of cost.*

## **15 FAM 225 RBP REVIEWS**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*OBO/PRE/RPM will conduct a periodic review of post compliance with the requirements of the Rental Benchmark Program (RBP), and the Office of Real Property Management (OBO/PRE/RPM) will extend post's authority for subsequent years, based on OBO review of post performance. Post must supply their real property application (RPA) data, keep that data current and accurate, comply with the requirement to submit documents in a timely manner, and submit lease waivers as required.*

## **15 FAM 226 AREA MANAGEMENT REVIEW**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*The Office of Area Management, in the Directorate of Operations, in the Bureau of Overseas Buildings Operations (OBO/OPS/AM) must review and approve, in advance, the lease of any real property for which post will require an additional allotment of leasehold account (7400) funding.*

## **15 FAM 227 HOUSING INVENTORY**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*A post's housing inventory includes all U.S. Government-held residences, whether U.S. Government-owned/long-term leased (GO/LTL) or short-term leased (STL). Where USAID manages its owned and LTL housing program, USAID has a separate housing inventory.*

## **15 FAM 228 HOUSING POOL**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*Each post must establish a housing pool with a mix of housing that will meet the long-term needs of personnel of varying ranks and family sizes. Longer retention of units will protect against spiraling lease costs, allow for amortization of make-ready or security upgrade costs, and provide for the*

*availability of housing in limited markets.*

## **15 FAM 229 HOUSING SELECTION**

*(CT:OBO-19; 10-27-2010)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

- a. Short-term leased (STL) housing acquired for a U.S. Government leasing program should reflect space standards, post housing requirements, and rental cost benchmarks where established.*
- b. To achieve maximum cost benefit to the U.S. Government, every effort should be made to retain appropriate housing under leases of 5 years or more.*
- c. In recognition of the factors in a host country which necessitate a U.S. Government leasing program, post management is authorized to retain leases on units which may be left vacant for short periods of time between transfers of employees (normally not to exceed 90 days without OBO prior approval), if it is deemed in the best interests of the U.S. Government (see 15 FAM 160 for funding).*