



FY 2026 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2026 Scranton--Wilkes-Barre, PA MSA FMRs for All Bedroom Sizes

Final FY 2026 & Final FY 2025 FMRs By Unit Bedrooms

Year	Efficiency	<u>One- Bedroom</u>	<u>Two- Bedroom</u>	<u>Three- Bedroom</u>	<u>Four- Bedroom</u>
FY 2026 FMR	\$863	\$1,028	\$1,252	\$1,631	\$1,766
<u>FY 2025 FMR</u>	\$779	\$928	\$1,123	\$1,462	\$1,596

Lackawanna County, PA is part of the Scranton--Wilkes-Barre, PA MSA, which consists of the following counties: Lackawanna County, PA; Luzerne County, PA; and Wyoming County, PA. All information here applies to the entirety of the Scranton--Wilkes-Barre, PA MSA.

Fair Market Rent Calculation Methodology

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Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. **Calculate the Base Rent:** HUD uses 2019-2023 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2026, provided the estimate is statistically reliable. For FY2026, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2019-2023 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2026 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2026.

2. **Calculate the Basis for Recent Mover Adjustment Factor**: HUD calculates a recent mover adjustment factor by comparing an ACS 2023 1-year 40th percentile recent mover 2-bedroom rent to the ACS 2019-2023 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.

HUD first examines recent movers who have moved within the current year of the ACS survey. If there is no reliable local area estimate, HUD then examines those who have moved into their residence within the current year or preceding year of the ACS survey. Upon determining a reliable recent mover estimate, HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data.

3. **Adjust for Inflation**: In order to calculate rents that are "as of" 2024, HUD applies a gross rent inflation adjustment factor using data from commercial rent data sources and the Consumer Price Index. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. HUD combines this local measure of rent inflation with either the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

For areas without at least three of the six private rent data sources available, HUD uses a regional average of private rent inflation factors alongside the regional CPI rent of primary residence. HUD constructs the regional average by taking the rental unit weighted average of the change in rents of each area in a region that does have private rent data coverage. HUD averages the private and CPI shelter rent data with the year-to-year change in the CPI housing fuels and utilities index for the area in order to make the resulting inflation measure reflective of gross rents.

The private and CPI gross rent update factors are then combined using a weighting scheme which controls the national weighted average of the private and CPI gross rent factors to the national change in the ACS recent mover gross rent. The resulting weights assigned are as follows: $\mathbf{W}_{2024} = 0.643$ assigned to the private gross rent factor and $(1 - \mathbf{W}_{2024}) = 0.357$ assigned to the CPI gross rent factor.

4. **Calculate the Trend Factor**: To further inflate rents from CY2024 to FY2026, HUD uses a "trend factor" based on the forecast of CPI gross rent changes through FY2026.

5. **Multiply the Factors**: HUD multiplies the base rent by the recent mover factor, the gross rent inflation factor, and the trend factor to produce a rent that is "as of" the current fiscal year.

6. **Compare to the State minimum**: FY2026 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.

7. **Calculate Bedroom Ratios**: HUD calculates "bedroom ratios" and multiplies these by the two-bedroom rent to produce preliminary FMRs for unit sizes other than two bedrooms.

8. **Compare to Last Year's FMR**: FY2026 FMRs may not be less than 90% of FY2025 FMRs. Therefore, HUD applies "floors" based on the prior year's FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. **Base Rent Calculation**
 The following are the 2023 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimates and margins of error for Scranton--Wilkes-Barre, PA MSA.

Area	ACS ₂₀₂₃ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₂₃ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Scranton--Wilkes-Barre, PA MSA	<u>\$922</u>	\$17	\$17 / \$922=0.01844	6	0.01844 < .5 6 ≥ 4 Use ACS ₂₀₂₃ 5-Year Scranton--Wilkes-Barre, PA MSA 2-Bedroom Adjusted Standard

Since the ACS₂₀₂₃ Margin of Error Ratio is less than .5, HUD uses the ACS₂₀₂₃ Scranton--Wilkes-Barre, PA MSA value for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent (Base Rent).

Area	FY2026 Base Rent
Scranton--Wilkes-Barre, PA MSA	\$922

2. **Recent Mover Adjustment Factor Calculation**

A recent mover adjustment factor is applied based on the smallest area of geography containing Scranton--Wilkes-Barre, PA MSA that has an ACS₂₀₂₃ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and a sufficient number of sample cases.

Area	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent- Mover Gross Rent	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Scranton-- Wilkes-Barre, PA MSA – ACS 1-year recent mover 2 Bedroom	<u>\$994</u>	\$166	0.167	1	1 < 4 Do Not Use ACS ₂₀₂₃ 1-Year Scranton-- Wilkes-Barre, PA MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Scranton-- Wilkes-Barre, PA MSA – ACS 1-year recent mover All Bedroom	<u>\$1,052</u>	\$115	0.109	2	2 < 4 Do Not Use ACS ₂₀₂₃ 1-Year Scranton-- Wilkes-Barre, PA MSA All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

Area	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Scranton-- Wilkes-Barre, PA MSA – ACS 2-year recent mover 2 Bedroom	<u>\$1,055</u>	\$89	0.084	2	2 < 4 Do Not Use ACS ₂₀₂₃ 1-Year Scranton-- Wilkes-Barre, PA MSA 2 Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Scranton-- Wilkes-Barre, PA MSA – ACS 2-year recent mover All Bedroom	<u>\$1,103</u>	\$69	0.063	6	0.063 < .5 6 ≥ 4 Use ACS ₂₀₂₃ 1- Year Scranton-- Wilkes-Barre, PA MSA All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The calculation of the relevant Recent-Mover Adjustment Factor for Scranton--Wilkes-Barre, PA MSA is as follows:

ACS ₂₀₂₃ 5-Year Area	ACS ₂₀₂₃ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₂₃ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Scranton--Wilkes- Barre, PA MSA – All Bedroom	<u>\$932</u>	<u>\$1,103</u>

Area	Ratio	Recent-Mover Adjustment Factor
Scranton--Wilkes-Barre, PA MSA	\$1,103 / \$932 =1.183	$1.1835 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.1835

3. Inflation Adjustment Factor Calculation

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since Scranton--Wilkes-Barre, PA MSA is covered by at least 3 private data sources, a local-based private rent factor is applied. Furthermore, since Scranton--Wilkes-Barre, PA MSA is not covered by a local-CPI rent area, a Region-based CPI gross rent factor is applied.

Components of 2024 Inflation Adjustment Factor for Scranton--Wilkes-Barre, PA MSA					
	R₂₀₂₄= Shelter Rent Change, 2023 to 2024	U₂₀₂₄ = CPI Annual Utilities Change, 2023 to 2024	C₂₀₂₄ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R₂₀₂₄ × (1- C₂₀₂₄) + U₂₀₂₄ × C₂₀₂₄)	Inflation Factor Type
P₂₀₂₄= Private Inflation Factor	1.04500	1.00072	0.27517	(1.045 * 0.72483) + (1.000724 * 0.2752)= 1.03281	Local
CPI₂₀₂₄= CPI Inflation Factor	1.06659	1.00072	0.14415	(1.06659 * 0.8558) + (1.00072 * 0.1442)= 1.05709	Region

The 2024 Gross Rent Inflation Factor for Scranton--Wilkes-Barre, PA MSA is computed as follows:

$$\begin{aligned}
 &= \text{CPI}_{2024} \times (1 - \text{W}_{2024}) + \text{P}_{2024} \times \text{W}_{2024} \\
 &= (1.05709 \times 0.356965956) + (1.03281 \times 0.643034044) \\
 &= (0.377345) + (0.664132) \\
 &= \mathbf{1.04148}
 \end{aligned}$$

4. **Trend Factor Adjustment**

The calculation of the Trend Factor is as follows: HUD forecasts the change in gross rents from 2024 to 2026 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2026.

Trend Factor Trend Factor Type		
Trend Factor	<u>1.10209</u>	Region

5. **Combination of Factors**

The FY 2026 2-Bedroom Fair Market Rent for Scranton--Wilkes-Barre, PA MSA is calculated as follows:

Area	Base Rent		<u>Recent-Mover Adjustment Factor</u>		<u>Annual 2023 to 2024 Gross Rent Inflation Adjustment</u>		<u>Trending 2024 to FY2026</u>		FY 2026 2-Bedroom FMR
Scranton--Wilkes-Barre, PA MSA	\$922	*	1.1835	*	1.04148	*	1.10209	=	\$1,252

6. **State Minimum Comparison**

In keeping with HUD policy, the preliminary FY 2026 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2026 2-Bedroom FMR	FY 2026 Pennsylvania State Minimum	Final FY2026 2-Bedroom FMR
Scranton--Wilkes-Barre, PA MSA	\$1,252	<u>\$973</u>	\$1,252 ≥ \$973 Use Scranton--Wilkes-Barre, PA MSA FMR of \$1,252

7. **Bedroom Ratios Application**

Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2026 FMRs By Unit Bedrooms

	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2026 FMR	\$863	\$1,028	\$1,252	\$1,631	\$1,766

8. Comparison to Previous Year

The FY2026 FMRs for each bedroom size must not be below 90% of the FY2025 FMRs.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2025 FMR	\$779	\$928	\$1,123	\$1,462	\$1,596
FY2025 floor	\$702	\$836	\$1,011	\$1,316	\$1,437
FY 2026 FMR	\$863	\$1,028	\$1,252	\$1,631	\$1,766
Use FY2025 floor for FY2026?	No	No	No	No	No

Final FY2026 Rents for All Bedroom Sizes for Scranton--Wilkes-Barre, PA MSA

Final FY 2026 FMRs By Unit Bedrooms

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2026 FMR	\$863	\$1,028	\$1,252	\$1,631	\$1,766

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page:

http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2026_code/2026summary.odn?&year=2026&fmrtype=Final&selection_type=county&fips=4206999999

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Adams County, PA
Allegheny County, PA
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Scranton--Wilkes-Barre, PA MSA



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