

Contact: Gloria Bowman  
[gbowman@cre.org](mailto:gbowman@cre.org)  
312/329-8430

FOR IMMEDIATE RELEASE

## **Innovative Process Slashes Overpayment of Rent Vouchers and Clinches Prestigious Award**

(Chicago) April 20 -- Maxine V. Mitchell, CRE, and Robert E. Miller, CRE, both of Chicago-based Applied Real Estate Analysis (AREA), Inc., are the honored recipients of the 2006 James Felt Creative Counseling Award of The Counselors of Real Estate. The award was presented to Mitchell and Miller at the CRE Midyear Meetings in Charleston, S.C., on April 4, 2006.

Mitchell and Miller were selected for their work in the development and maintenance of a rental housing database designed to assess appropriate rent levels for specific units using the Housing Choice Voucher Program (formerly known as Section 8 vouchers).

Their work for three housing authorities (Philadelphia, New Orleans, and Los Angeles) has resulted in substantial benefits, including:

- increased efficiency, which decreases backlogs and staffing needs
- increased program reliability and performance, demonstrated by a “perfect score” from HUD on Section 8 performance by one of the authorities;
- and decreased housing rental costs for many units leased with Housing Choice Vouchers

Mitchell, who is president of AREA, founded the firm in 1985. She has more than 30 years of experience in real estate market analysis, economic assessment, and public policy planning. On receiving the award, she stated, “I am very honored to receive this award from the Counselors of Real Estate. AREA’s work for public housing authorities has been interesting, challenging, and very satisfying because of its benefits for housing authorities. It is an honor to have that work recognized by the Counselors.”

Miller, the co-winner of the award, is senior vice president of AREA. Trained as a historian and city planner, he has spent the past 30 years as a real estate analyst and public policy consultant specializing in the revitalization of urban areas. “This award,” said Miller, “is a great honor. It has been a gratifying experience to be able to use our real estate expertise to enable public housing authorities to make more efficient use of their resources for providing housing for low-income households.”

## **BACKGROUND:**

In 2004, \$14.2 billion was devoted to tenant-based rental housing assistance using the Section 8 Program. This figure represented a full 41 percent of the total U.S. Department of Housing and Urban Development (HUD) budget.

The program, which helps eligible households pay rent on privately owned units of their choosing, was established in 1974 and has expanded substantially over the years. Between 2001 and 2004, the number of subsidized units increased from approximately 1,800,000 to 2,148,000. The federal government has been trying to contain the growth and cost of this program.

One issue frequently overlooked by HUD and local housing authorities has been the overpayment of rents for voucher units. The answer was the development of an innovative, cost-effective system to enable public housing authorities to resolve this problem.

## **CHARACTERISTICS OF AREA'S DATABASE AND RENT CALCULATION MODEL**

Each database model developed by AREA is wholly unique to a local rental market. For each city, AREA assesses the housing market conditions and develops a hedonic pricing model that calculates fair, defensible rent prices.

Key features of the system include: housing market conditions and trends; careful definition of submarket areas; statistically reliable analysis; substantial sample size; and versatility (the database may also be used to assess an authority's portfolio of conventional and scattered-site housing).

## **THE JAMES FELT CREATIVE COUNSELING AWARD**

The Felt Creative Counseling Award honors outstanding achievement and ingenuity in real estate counseling by the members The Counselors of Real Estate, a professional organization for leading advisors. Selection of the award winner(s) is made by a peer-review committee.

Established in 1992, the award honors the memory of James "Jack" Felt, CRE, a prominent real estate pioneer and founding member of The Counselors of Real Estate. The award reflects Felt's personal and professional standards, ethics, integrity, creativity, and competencies displayed throughout his real estate career.

-end-

**About The Counselors of Real Estate:** *The Counselors of Real Estate is a professional membership organization established exclusively for those real estate advisors who provide sound, unbiased, and competent advice on the many diversified issues encountered in the broad field of real estate. Membership is by invitation only. See [www.cre.org](http://www.cre.org).*