



OVERSEAS HOUSING ALLOWANCE (OHA) Rental Allowances

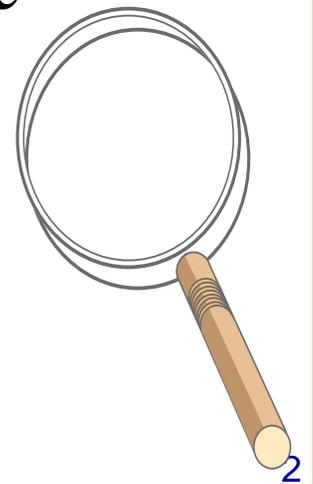




Overseas Housing Allowance

Three Components

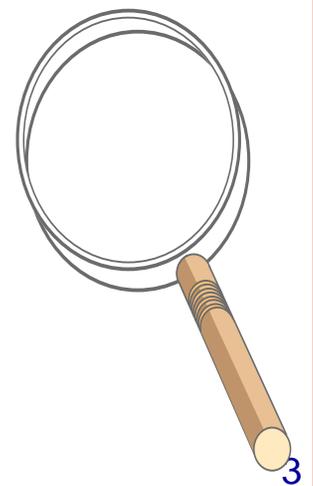
- **Rental Allowance**
- **Utility/Recurring Maintenance Allowance**
- **Move-In Housing Allowance MIHA**





Rental Allowance

The maximum amount of monthly rent considered in the pay system when computing the amount of OHA for a locality as listed in Appendix K of the JFTR





Rental allowances vary by location

The quality, availability and cost of housing varies worldwide.

Townhouses
Apartments
Houses

Well maintained
New
Old, no new construction
Earthquake concerns
Communist era housing

High Cost Locations
London
India



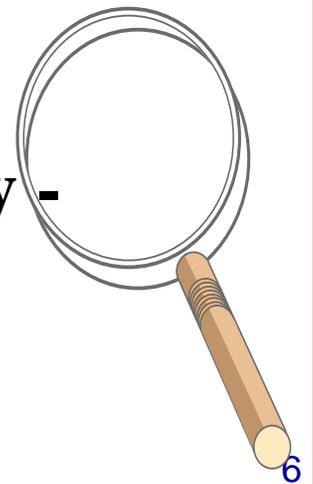
Rental allowance adjustments

- To ensure that Service members renting on the economy overseas are safely and adequately housed.
- The rental allowances at every locality in the world are reviewed twice per year and adjusted so that 80% of members are covered 100%.
- Adjustments allow Service Members to compete in a changing market for adequate housing.
- Incoming members (new arrivals) “drive” the rental allowances.



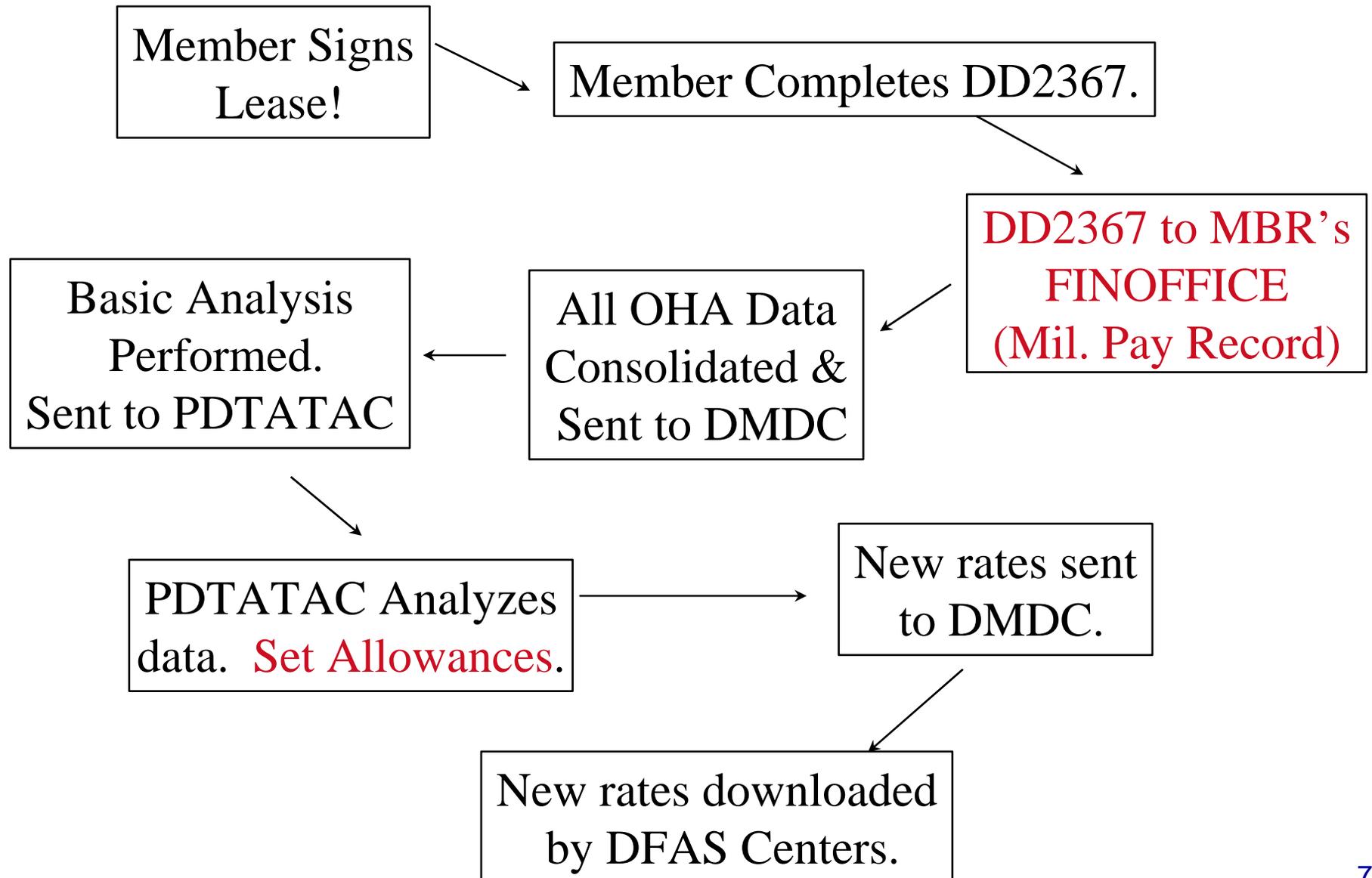
Overseas Housing Allowance Rental Allowance

- **Allowance based on 80th Percentile of Rents**
 - Covers 100% of Rents for 80% of Members
 - Mbr w/o Dep = 90% of Mbr w/ Dep Allowance
- **Actual Rent Reported Thru Finance**
 - DD2367 Form - Start, Stop, Change OHA
- **Rental Allowance Reviewed Semi-Annually -
New Arrivals “Drive” Allowances**





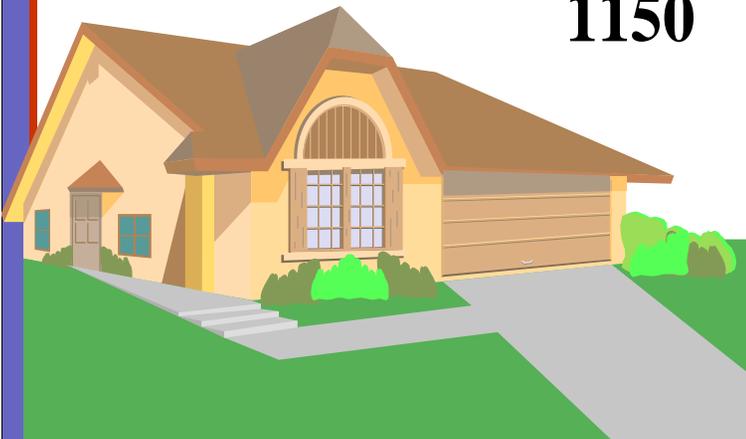
The OHA Rate Setting Process





Maximum Rental Allowance Selection 80th Percentile

O4/E9	O2/1/E5	O3/E8/7/6	E4	Rank
1400	1350	1300	1200	1
→ <u>1400</u>	→ <u>1300</u>	1300	→ <u>1200</u>	2
1350	1295	→ <u>1250</u>	1100	3
1300	1250	1250	1000	4
1300	1200	1100	1000	5
	1150	1050		6
		1000		7
		980		8
		950		9
		800		10





ADJUSTING RENTAL ALLOWANCES OUT OF CYCLE OR IN A NEW LOCATION



Establishing or Adjusting OHA Rental Allowances Out of Cycle or in a New Location

When

- **New Locality: No Service member ever before assigned to a location, or**
- **Service member assigned to PDS with less than 10 members and no rental allowance ever established for certain rank**

Examples

- **Olmsted Scholars**
- **Personnel Exchange Program (PEP) Personnel**
- **Foreign Area Officers**
- **Service Members ordered to move from Embassy housing to privately leased housing**



Establishing or Adjusting OHA Rental Allowances Out of Cycle or in a New Location (*continued*)

➤ *Rates can not be set retroactively for any component of OHA.*



Q: Can members rent over their rental allowance?

A: Yes, they will be paid up to the maximum rental allowance.

Example 1: Rental Allowance is \$700. Member's rent is \$800. The Rental portion of OHA paid is \$700

Q: Can members rent under their rental allowance?

A: Yes but they don't pocket the difference as in BAH (CONUS)

Example 2: Rental Allowance is 800 Euro. Member rents for 750 Euro. The Rental portion of OHA paid equals 750 Euro. Rent is covered 100%.



JFTR References

- **JFTR Chapter 10 (U10000 – U10206)**

- **Appendix K**
 - **General Policy Information**
 - **Utility Point Scores**
 - **Examples of Calculating OHA**
 - **Briefing Sheet**
 - **Complete Listing of Overseas Housing Allowance Rates**
 - **Rental Allowances**
 - **Utility and Recurring Maintenance Allowances**
 - **MIHA**

- **Appendix N**
 - **MIHA General Information**
 - **MIHA Security Locations**