

January 26, 2026

The Honorable Frank Cassidy
Assistant Secretary of Housing and Federal Housing Commissioner
U.S. Department of Housing and Urban Development
451 7th Street SW
Washington, DC 20410

Dear Assistant Secretary Cassidy:

We write to urge the immediate publication of the 2026 Operating Cost Adjustment Factors (OCAFs) for properties with Section 8 project-based rental assistance. With only a few weeks before the targeted February 11 effective date, the extreme delay in publishing these factors is creating significant operational and financial challenges for property owners and managers serving hundreds of thousands of low-income households nationwide.

As you know, Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA) requires HUD to formulate and publish OCAFs annually for each state. These factors are essential tools that allow owners to adjust contract rents to account for increases in operating costs, ensuring the financial stability of properties serving vulnerable populations. Historically, HUD has published the OCAFs in October or November, with publication as late as December in 2024. However, as of late January 2026, the OCAFs have not yet been published.

The delay in publishing the OCAFs is preventing owners from fulfilling their regulatory obligations and effectively managing their properties:

1. **Missed Notification Deadlines:** For properties with February Housing Assistance Payment (HAP) contract anniversary dates, owners were required to provide 30-day advance notice to tenants by January 12, 2026, in accordance with 24 CFR Part 245, Subpart D. This deadline has now passed, meaning these owners cannot implement the OCAF adjustment on their anniversary date and will experience delayed rent increases that will not align with their actual operating cost increases.
2. **Budget and Forecasting Uncertainty:** Owners rely on timely OCAF publication to complete their 2026 budgets and financial forecasts. The continued delay creates uncertainty in financial planning and may affect owners' ability to secure necessary financing or make critical property decisions.
3. **Cascading Anniversary Dates:** Properties with March, April, and subsequent anniversary dates face similar challenges if publication is further delayed,

compounding the operational disruptions across the portfolio of federally assisted housing.

We note that HUD's Office of Policy Development and Research published the 2026 Annual Adjustment Factors (AAFs) in December 2025, demonstrating that the underlying economic analysis has been completed. We respectfully request that HUD publish the 2026 OCAFs immediately to allow owners to meet their contractual obligations, maintain the financial stability of their properties, and continue providing quality affordable housing to the families they serve.

We recognize the complexity of HUD's work and the many demands on the Department's resources. However, the timely publication of OCAFs is a critical regulatory function with real-world consequences for property operations and resident services. If there are any obstacles preventing publication that stakeholders can help address, we stand ready to assist.

Thank you for your attention to this urgent matter. We respectfully request publication of the 2026 OCAFs within the next week to minimize further disruption to property operations. Please do not hesitate to contact Denise Muha (dmuha@hudnlha.com) if you have any questions or if we can provide additional information.

Sincerely,

Leading Age
National Affordable Housing Management Association
National Association of Homebuilders
National Leased Housing Association
Steward of Affordable Housing for the Future