
CHFA RENT INCREASE POLICY

The CHFA Regulatory and Management Agreements require CHFA approval of any proposed rent increases. A written rent increase request is required as part of the annual operating budget submission to CHFA.

The maximum allowable rent increase for rent restricted units as of 7/31/2024 is **5.8%**. This is derived from the CPI-U of 3.8% plus an additional 2% that CHFA will allow owners/agents to add to the published CPI-U. This increase may be used for budgets that are effective 9/1 or later.

CHFA uses Table A. Northeast region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted data, taking the previous 12 months percent change as of 6/30 annually. This information is posted on the Bureau of Labor Statistics website: https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex_northeast.htm.

The maximum allowable rent increase for rent restricted units will be published on the CHFA website annually by 7/31. This timing will allow owners/agents with properties on a calendar fiscal year to prepare their operating budgets using this rent data. Rent increases for market-rate units are at the owner's discretion, and CHFA approval is not required.

Additional points to note:

- LIHTC properties must not exceed maximum LIHTC rent limits.
- For those properties that have HAP contracts or other rent subsidies (RAPs, vouchers etc.) increases are subject to Maximum Allowable Rent and/or approval by J. D'Amelia or the HUD Contract Administrator.
- This policy applies to the CHFA portfolio properties that are subject to CHFA approving rent increases.
- Proposed rent increases for the SSHP portfolio properties will be considered on a case-by-case basis. The SSHP portfolio properties also require submission of a Notice to Residents, Board of Commissioners meeting minutes and Resolution approving the increase.
- If there is a major change in the CPI-U, CHFA staff will re-visit the policy and adjust as needed.
- If the CPI-U is ever negative, then the maximum allowable rent increase would be 2%.

Policy effective date: 7/31/2024