

HUD Headquarters Update

Moderators:

Karen Wipper, ELA President | *Chief Underwriter, Dwight Capital*

Bob Warren, SMAC President | *Head of FHA Underwriting, Berkadia Commercial Mortgage*

Panelists:

Ethan Handelman, Deputy Assistant Secretary | *HUD HQ*

Patricia Burke, Director of Multifamily Housing Production | *HUD HQ*

Tom Bernaciak, Deputy Director of Multifamily Housing Production | *HUD HQ*



Staffing Challenges





OFFICE OF HOUSING

Office of Multifamily Housing Programs

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Production Update

ELA/SMAC Conference 2021

Patricia Burke, Director, Office of Multifamily Production

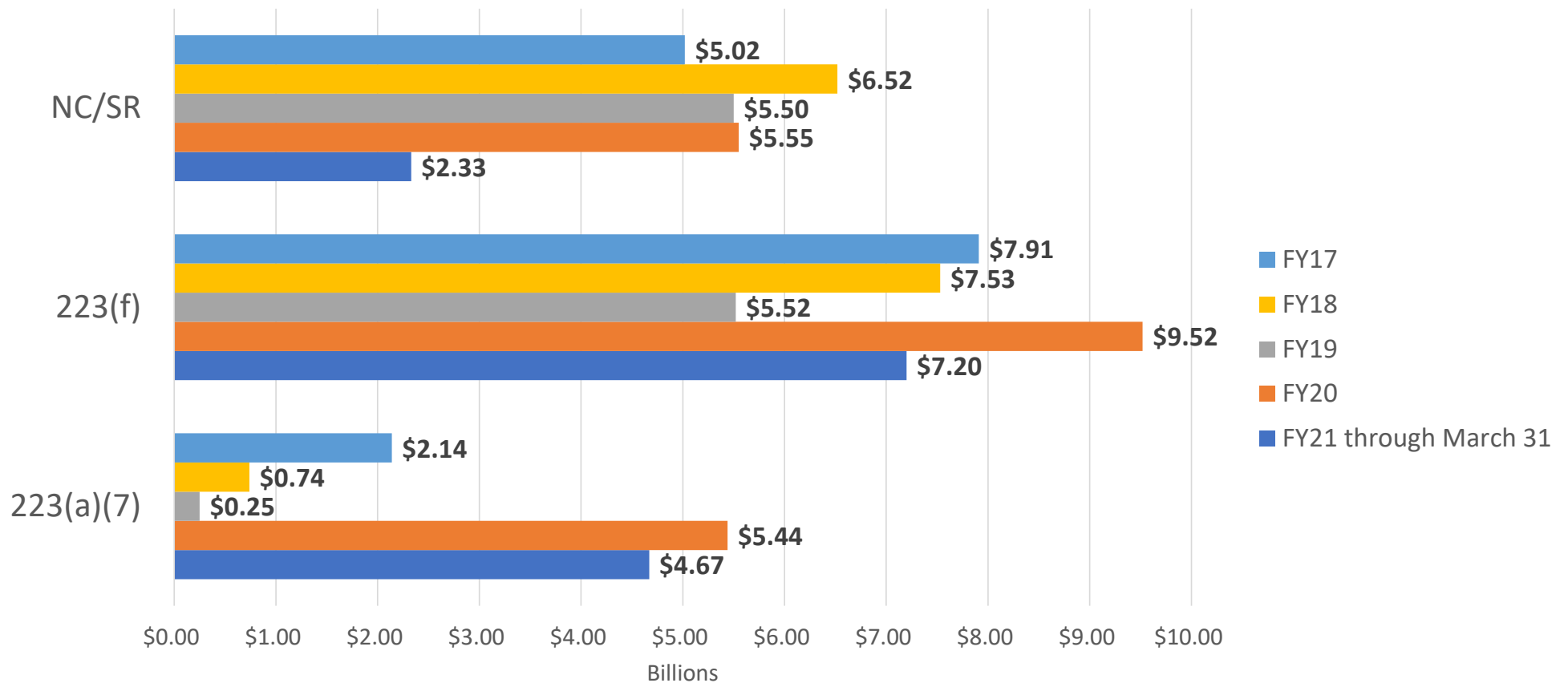
Firm Commitment Volume

FY11 - FY21 through 3/31/21

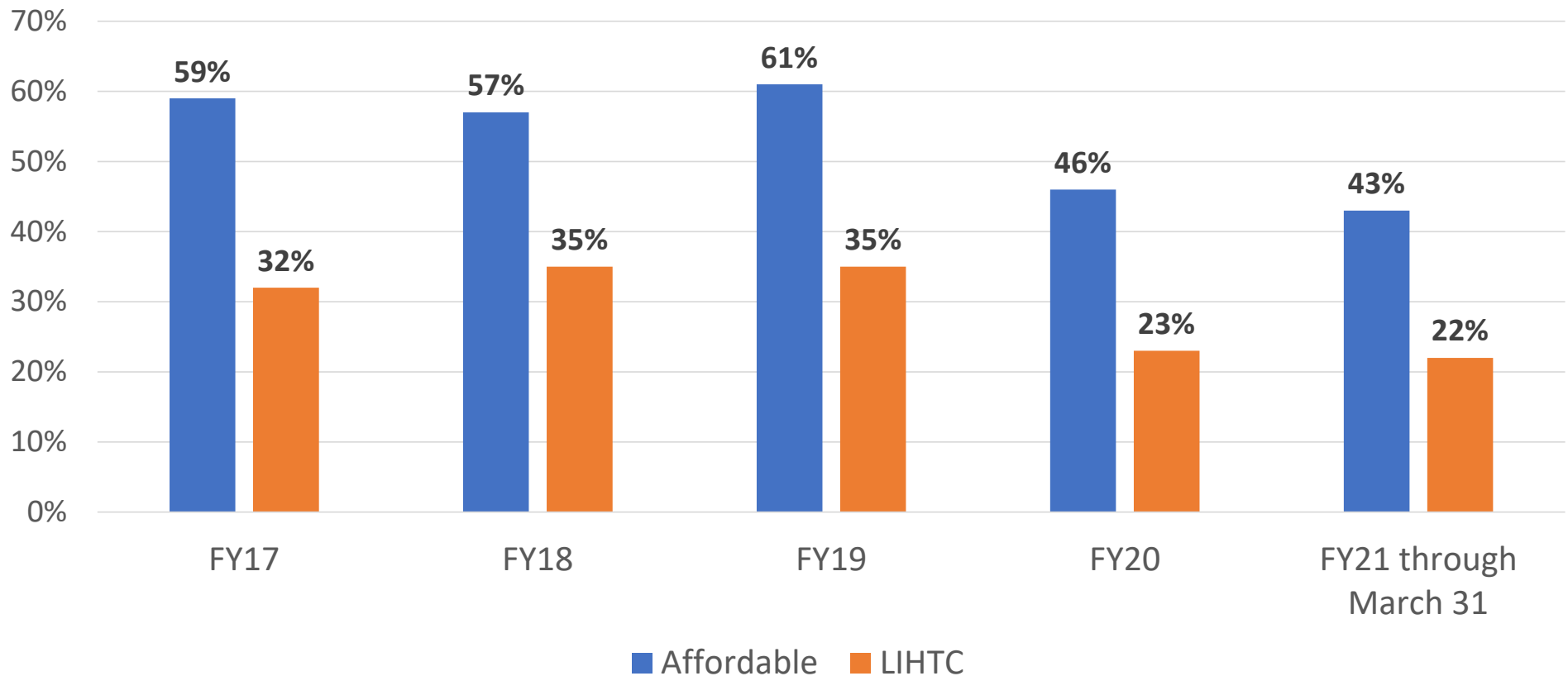


Firm Commitment Volume by Program

FY17 - FY21 through 3/31/21



Affordable and LIHTC Firms as % of Total FY17 - FY21 through 3/31/21



Application Queue Prioritization

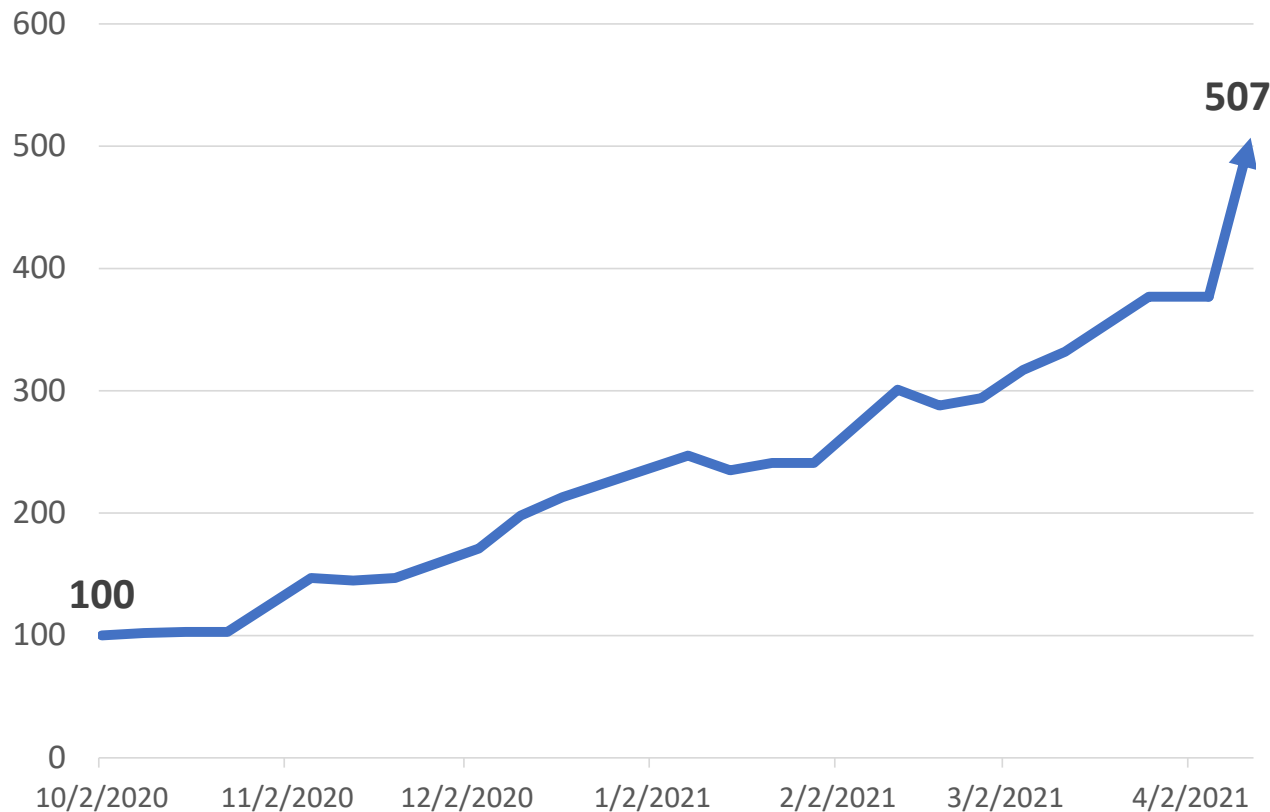
Priority through March 17

1. LIHTC Pilot applications
2. Opportunity Zone transactions w/
Qualified Investment Fund

Updated Priority effective March 18

1. LIHTC Pilot applications
2. New LIHTCs (non-Pilot applications)
3. Opportunity Zone transactions w/
Qualified Investment Fund
4. Second-Stage Firm Applications for New
Construction (includes market-rate
projects)
5. Other Affordable or Broadly Affordable
transactions (as defined in the MIP
Federal Register, per MAP Guide 3.1.10)

Application Queue Growth Since 10/2/2020 Implementation



Our queue has grown from 100 applications when implemented on 10/2/2020 to **507** as of today, but may rise further once we're able to screen the remainder of the 200+ applications received before the 3/18 MAP Guide effective date

Applications assigned out of the queue during the past 30 days were in the queue for an average of **75 days**

Contract Underwriting by Grove Street

Eligible transactions:

- **223(a)(7)** – excluding NLC
- **223(f)** – excluding:
 - NLC
 - Moderate rehab (“heavy” f’s)
 - New LIHTC or RAD conversions
 - Environmental issues / other risks
- **221(d)(4) (coming soon)** – excluding:
 - NLC
 - Pre-Apps (Firm Apps only)
 - New LIHTC or RAD conversions
 - Environmental issues / other risks

By the numbers:

- Over **300** applications assigned to GS (140 a7’s, 160+ f’s) since June 2020, 161 firms issued (**20%** of our FY21 total)
- Closing services also provided on two-thirds of loans underwritten by GS
- Will begin assigning the first 221(d)(4)s to GS shortly
- Executing first contract option, will be able to send **300+ more** applications to GS shortly

FHA Catalyst: Multifamily Applications Module

- **900+** applications submitted through the portal since 10/27/20; **60%** are currently submitted through the portal, **70%** of lenders have used at least once
- **Forthcoming Mortgagee Letter will require use of FHA Catalyst for application submissions** – ML is entering Departmental Clearance now, will become effective 30 days after publication
- New round of lender training will be provided shortly after ML publication and prior to effective date, but we encourage you to request an account and try it out now

FHA Catalyst: Multifamily Applications Module

- **To request access:**
 - Visit www.hud.gov/catalyst, click “Multifamily Applications”
 - Download and complete “Lender Access Request Form”, email completed form to FHACatalystMF@hud.gov
- **To register for training announcements and updates:**
 - Enter email address, select “Multifamily Production Updates” at: https://public.govdelivery.com/accounts/USHUDFHA/subscriber/new?qsp=USHUDFHA_3

(Link will also be in the ML, or you can email FHACatalystMF@hud.gov and we will send it to you)

Other Topics

- CNA e-Tool release 3.1 – complete conversion to cloud-based web app, implement industry-requested improvements in 2- to 4-week periods (end of August target completion date)
- Recently-constructed/rehabbed 223(f)s – lessons learned so far
- ML 2020-11 Debt Service Escrow for 223(f)
- Cost Not Attributable for Section 223(f)
- Best practices – information-sharing between Regions