

NE Regional Production, Process, Hot Topics and Bears, oh my! – Part 1

Moderator: Adam Roberts, *Head of FHA Lending* | JLL

Panelist: Stacey Ashmore, *Northeast Region Production Director* | HUD NY

Panelist: Yvette Jackson, *Underwriting Branch Chief* | HUD Baltimore

Panelist: Dan Schachter, *Underwriting Branch Chief* | HUD NY



EASTERN LENDERS ASSOCIATION

Agenda

- Production numbers
- Staffing Update
- Concept Meetings
- Intake, Queue and Underwriting Process
- Contractor Questions
- Q&A





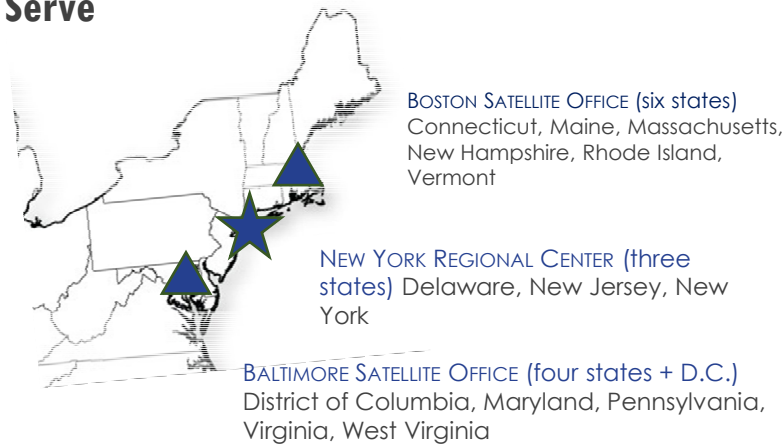
MULTIFAMILY NORTHEAST REGION OVERVIEW

**Eastern Lenders Association
Annual Conference**

April 13, 2021

MULTIFAMILY HOUSING NORTHEAST REGION

Who We Serve

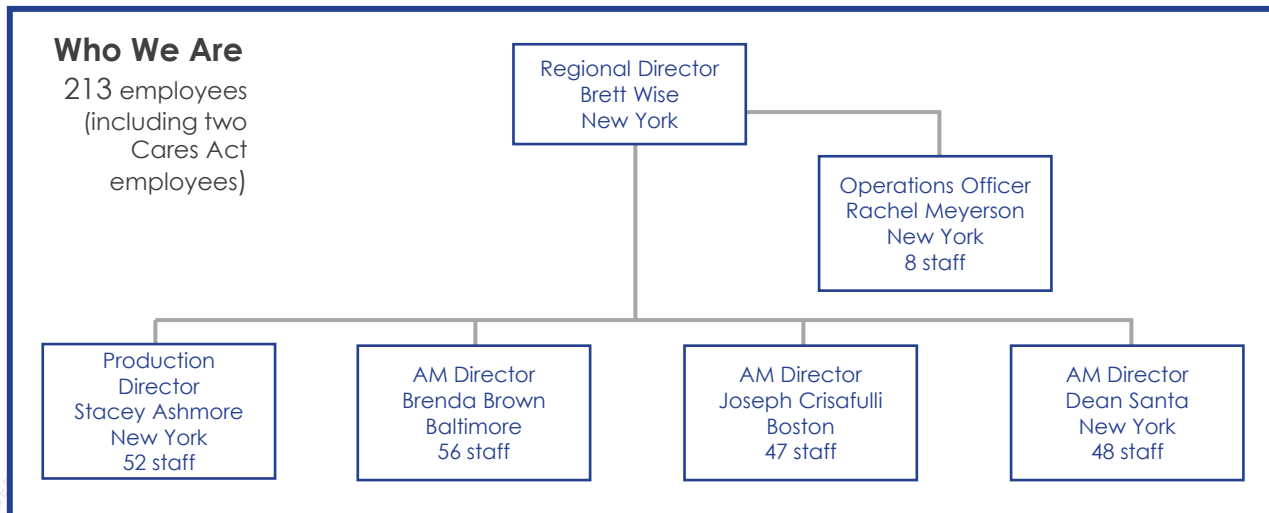


What We Do

235	FY20 Firms issued, 29% of all MFH firms
\$5.7 B	FY20 Firms \$s, 32% of all MFH firm \$s NE/Nation
8,125	Assets, 25% of all MFH Assets
\$5.8 B	Total annual rental assistance
503,930	Assisted Units
672,211	Total population with rental assistance
285,671	Total elderly in assisted households
153,876	Total children in assisted households
\$11,876	Median income of population

Who We Are

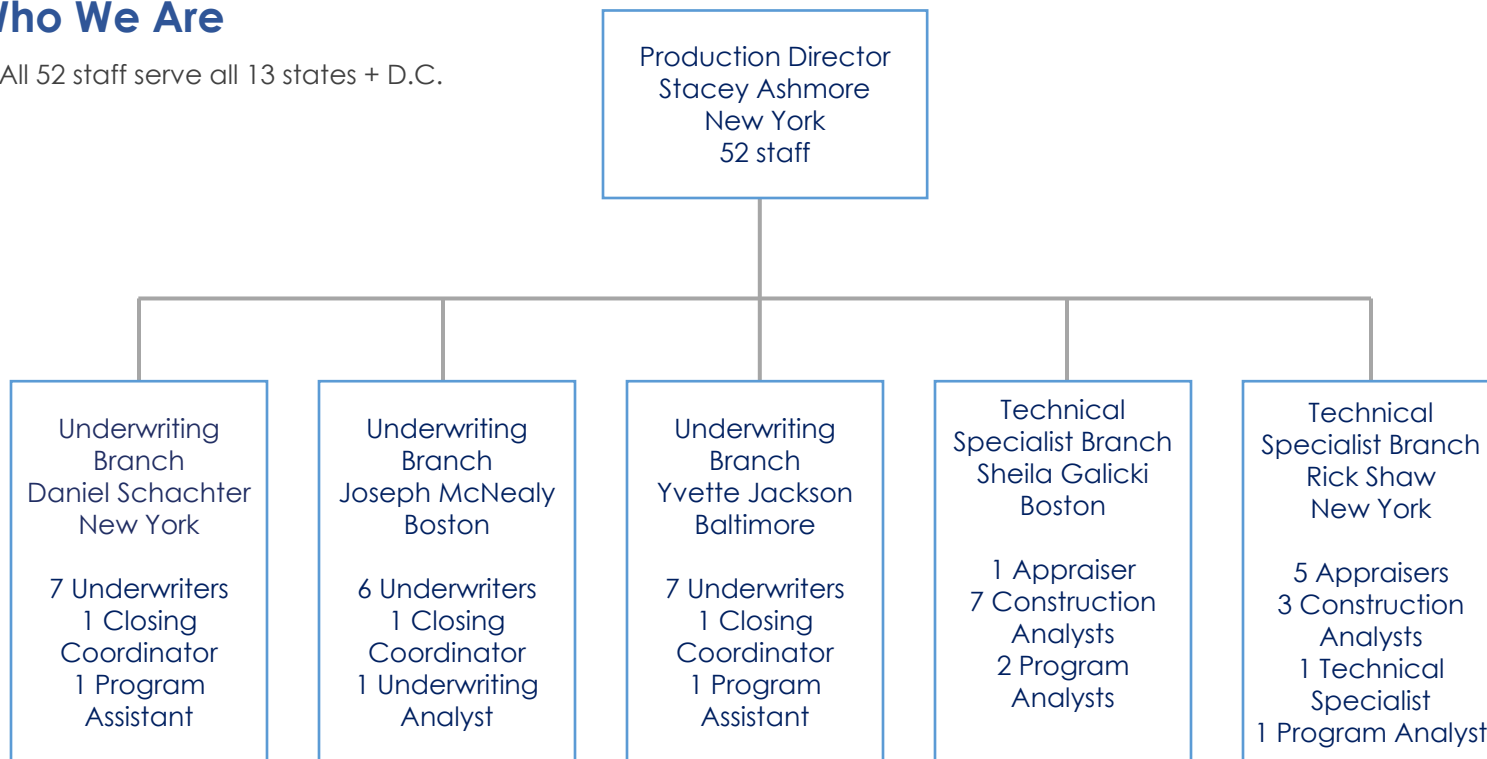
213 employees
(including two Cares Act employees)



PRODUCTION

Who We Are

All 52 staff serve all 13 states + D.C.





FY 16 – FY20 FIRM COMMITMENTS (ALL PROGRAMS)

Over the past five (5) fiscal years, the Northeast has issued 21% (1,196 of 5,771) of all firm commitments and has generated 26% (\$23.7 Billion of \$96.9 Billion) of all new dollars financed in the country.

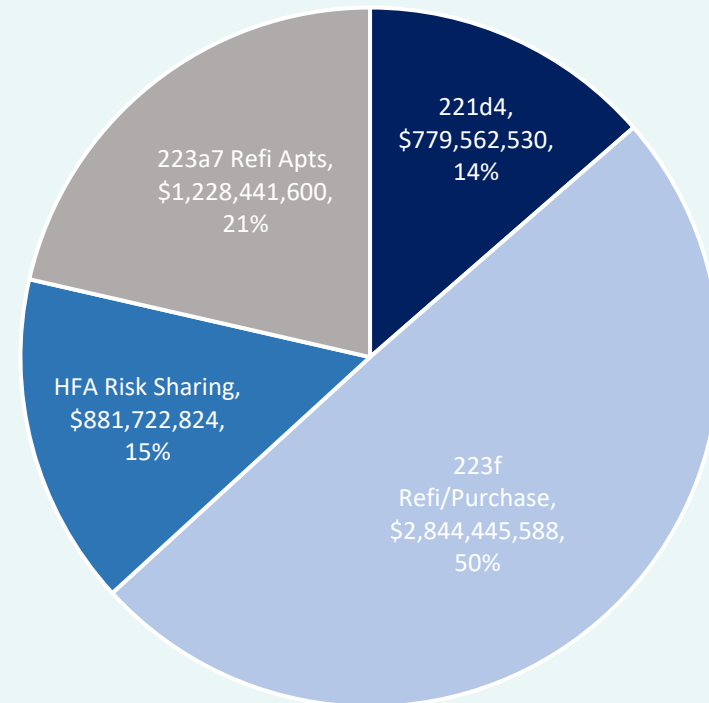




FY 20 FIRM COMMITMENTS (ALL PROGRAMS)

Region I	\$1,276,257,500.00
CT	\$64,929,100.00
MA	\$1,004,214,700.00
NH	\$61,241,300.00
RI	\$116,427,400.00
VT	\$29,445,000.00
Region II	\$1,595,232,800.00
NJ	\$261,972,700.00
NY	\$1,333,260,100.00
Region III	\$2,367,832,903.00
DC	\$304,063,300.00
DE	\$129,917,800.00
MD	\$728,830,803.00
PA	\$168,237,000.00
VA	\$1,024,940,000.00
WV	\$11,844,000.00
Grand Total	\$5,239,323,203.00

FY20 Total Firms by Program (NE Region)



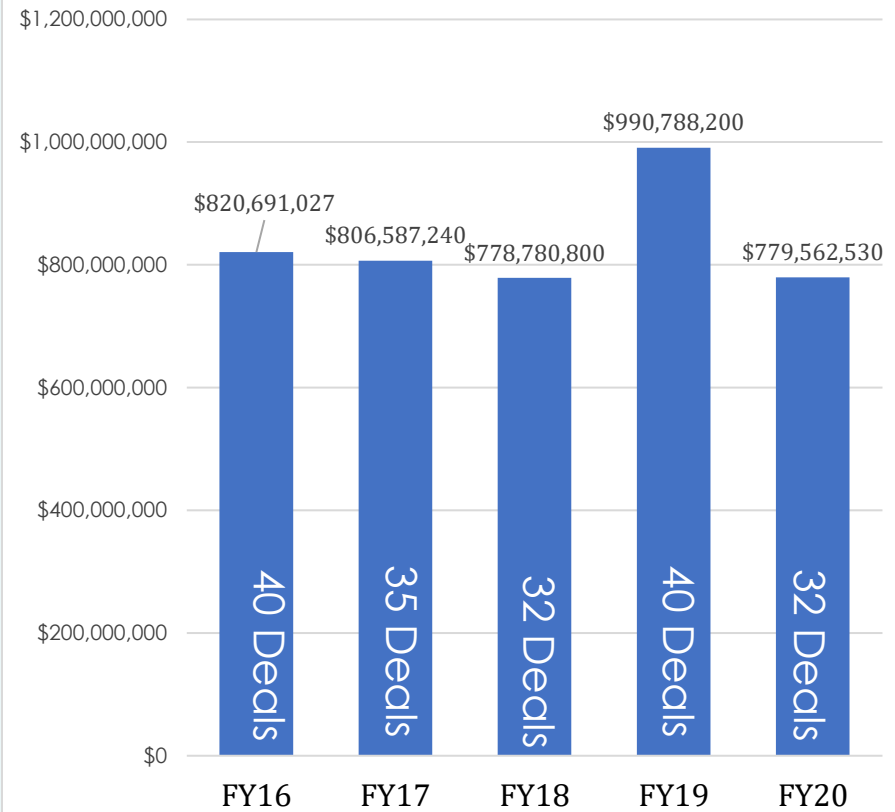


TOTAL 221d4 FIRM COMMITMENTS ISSUED

Total 221d4 Firms FY16-FY20

Region I	\$244,355,700
CT	\$141,487,100
MA	\$56,922,100
ME	\$12,628,500
NH	\$33,318,000
Region II	\$227,947,800
NJ	\$197,365,800
NY	\$30,582,000
Region III	\$3,704,106,297
DC	\$156,332,830
DE	\$35,517,300
MD	\$1,627,761,700
PA	\$228,189,840
VA	\$1,585,601,327
WV	\$70,703,300
Grand Total	\$4,176,409,797

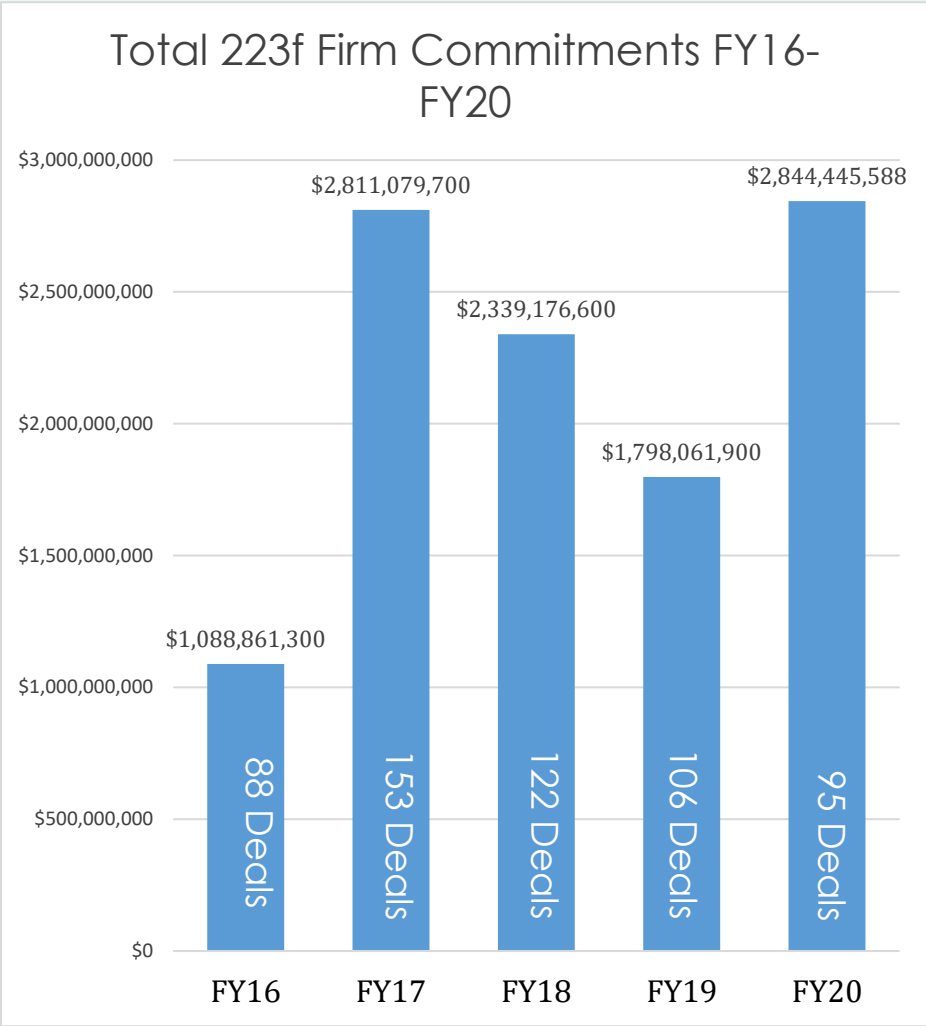
Total 221d4 Firm Commitments FY16-FY20





TOTAL 223F FIRM COMMITMENTS ISSUED

Total 223f Firms FY16-FY20	
Region I	\$4,180,602,958
CT	\$311,554,658
MA	\$3,736,489,900
ME	\$42,039,800
NH	\$33,255,200
RI	\$57,263,400
Region II	\$2,875,317,630
NJ	\$811,890,700
NY	\$2,063,426,930
Region III	\$3,825,704,500
DC	\$180,578,300
DE	\$154,890,500
MD	\$862,226,200
PA	\$704,936,400
VA	\$1,882,864,800
WV	\$40,208,300
Grand Total	\$10,881,625,088



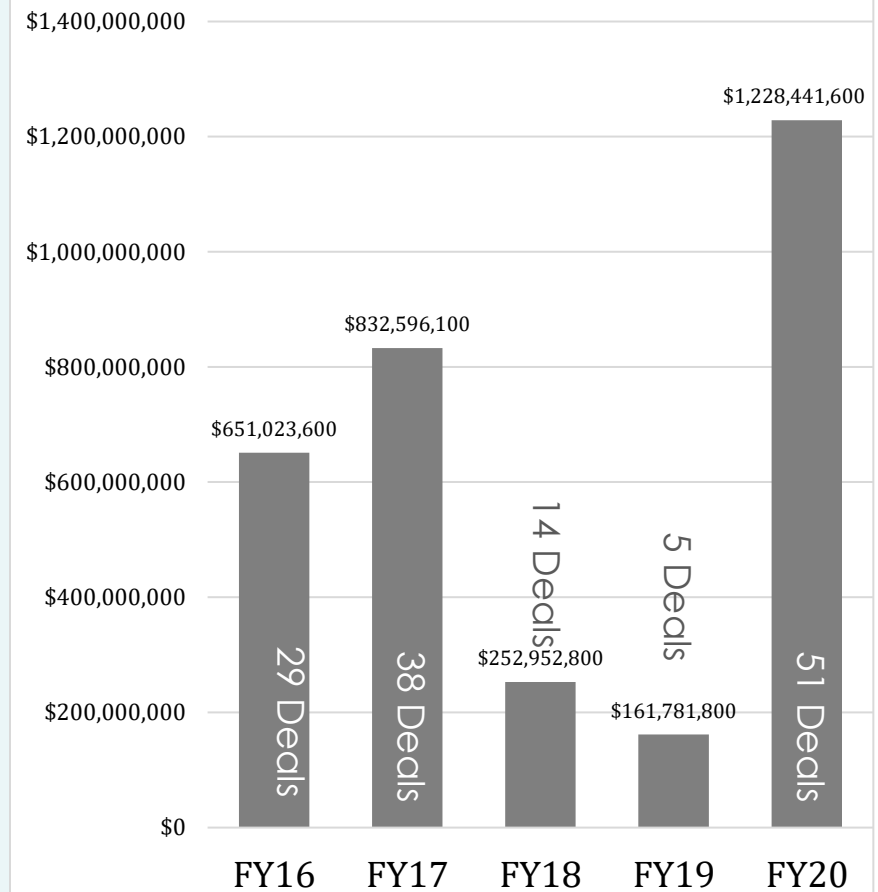


TOTAL 223A7 FIRM COMMITMENTS ISSUED

Total 223a7 Firms FY16-FY20

Region I	\$416,106,500
CT	\$89,224,500
MA	\$263,113,300
ME	\$5,752,500
NH	\$30,693,800
RI	\$27,322,400
Region II	\$576,486,600
NJ	\$130,592,400
NY	\$445,894,200
Region III	\$2,134,202,800
DC	\$320,162,900
DE	\$64,549,800
MD	\$1,141,498,600
PA	\$109,094,000
VA	\$477,127,600
WV	\$21,769,900
Grand Total	\$3,126,795,900

Total 223a7 Firm Commitments FY16-FY20



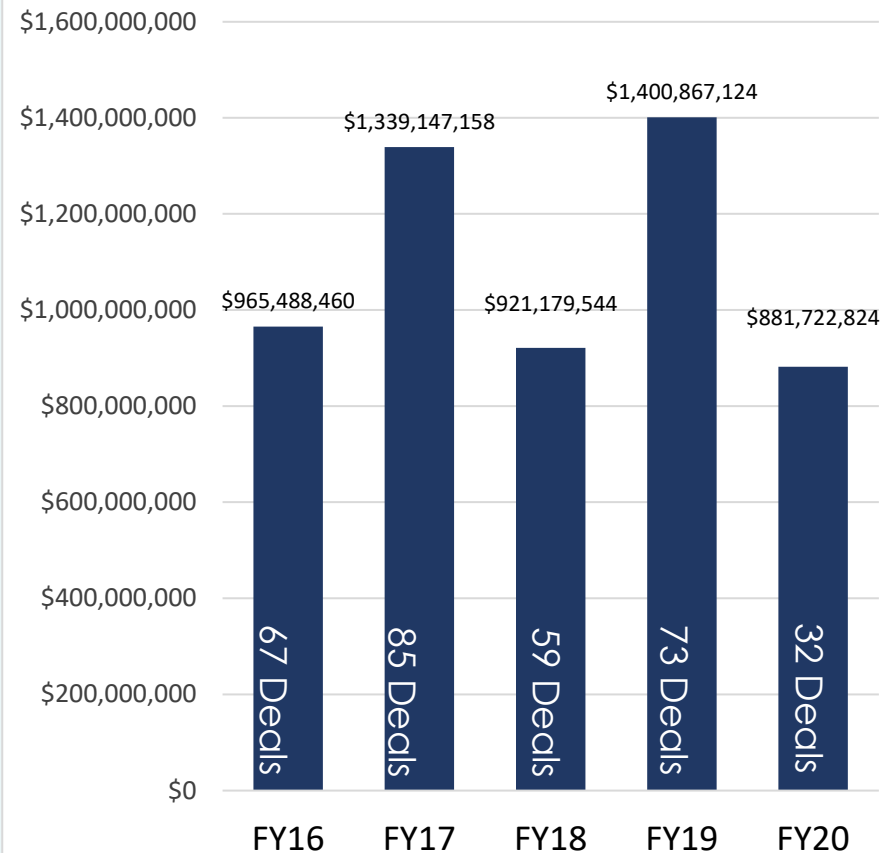


TOTAL RISK SHARE FIRM COMMITMENTS ISSUED

Total Risk Share Firms FY16-FY20

Region I	\$2,631,086,743
MA	\$2,094,745,892
NH	\$203,991,851
RI	\$291,691,000
VT	\$40,658,000
Region II	\$2,043,335,878
NJ	\$23,714,266
NY	\$2,019,621,612
Region III	\$833,982,489
DC	\$113,048,450
MD	\$682,374,478
VA	\$38,559,561
Grand Total	\$5,508,405,110

Total Risk Share Firm Commitments FY16-FY20



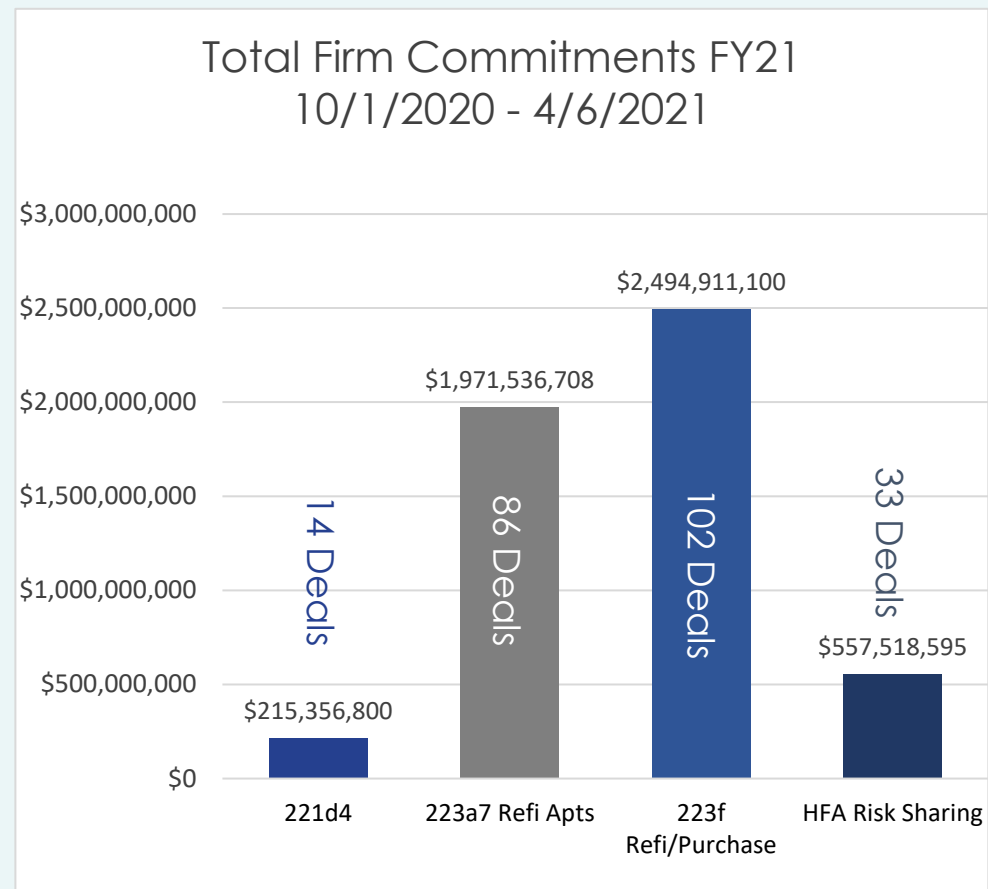


FY21 FIRM COMMITMENTS TO-DATE

Total Firms FY21 to-date

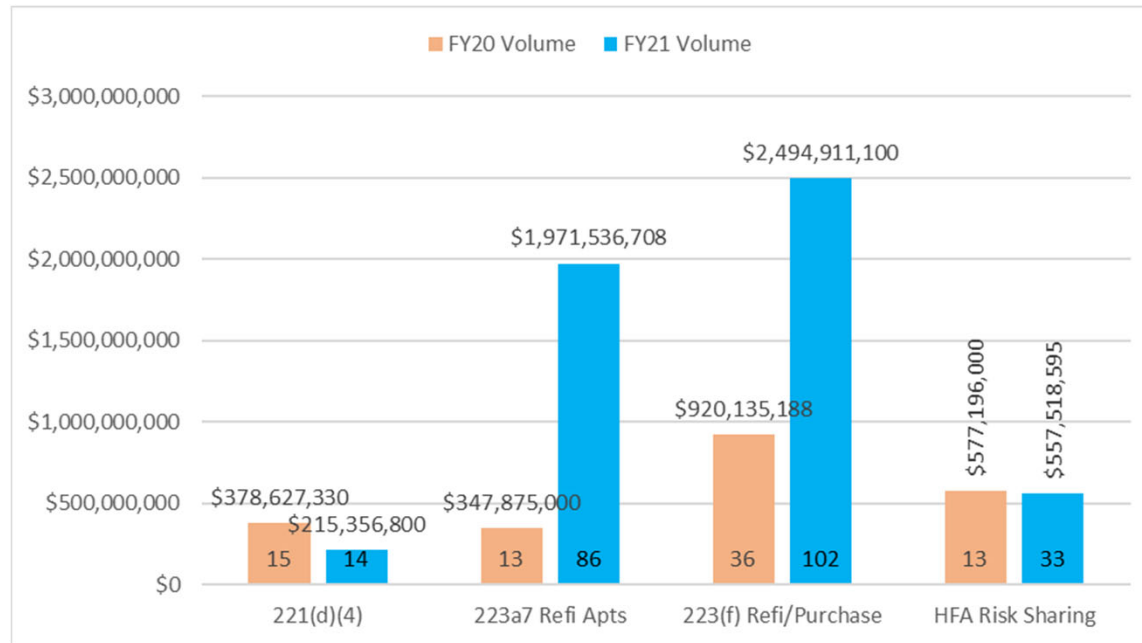
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Grand Total	\$5,239,323,203.00

The Northeast has issued 235 firms in FY21, 25% of all firms issued in the country, which is \$5.2 billion in new financing, 29% of all dollars financed in the country.



FY To Date 2020 v 2021

2020 DATES 10/1/19 – 3/2/20 *** 2021 DATES 10/1/20 – 4/6/21



	FY20 - YTD	FY21 - YTD	Change
Region I	492,851,558	1,276,257,500	159%
Region II	809,633,530	1,595,232,800	97%
Region III	921,348,430	2,367,832,903	157%
Grand Total	2,223,833,518	5,239,323,203	136%



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Concept Meetings

- Concept memo review is being consolidated within the NE Region
- Concept meetings are being evenly distributed across all three offices
- Below is a summary of the concept meetings held in **FYE 2020**

	10/1/19 - 9/30/20							
	New York		Baltimore		Boston		Total	
	Held	% Encouraged	Held	% Encouraged	Held	% Encouraged	Held	% Encouraged
221(d)(4)/220 NC	20	90%	41	83%	4	100%	65	86%
231 NC	1	100%	5	100%	-	-	6	100%
223(f)	20	100%	12	75%	-	-	32	91%
Total	41	95%	58	83%	4	100%	103	88%

- Below is a summary of the concept meetings held **YTD 2021**

	10/1/20 - 4/12/21							
	New York		Baltimore		Boston		Total	
	Held	% Encouraged	Held	% Encouraged	Held	% Encouraged	Held	% Encouraged
221(d)(4)/220 NC	9	67%	24	83%	6	100%	39	82%
241(a)	-	-	1	100%	-	-	1	100%
223(f)	10	90%	9	100%	1	100%	20	95%
Total	19	79%	34	88%	7	100%	60	87%



Concept Meetings

- When do you need a Concept Meeting?
 - Three-Year “waiver” deals?
 - All construction deals?
 - Cash out deals?
 - Still not sure...have a Pre-Concept “Concept”
- Concept Meeting Timing
 - How long to schedule a meeting?
 - When are meetings held?
 - How long to you allocate for meetings?
 - Special allowances for Pilot Deals?
 - Will there be prioritization of concept meetings?
- Best Practices
 - Requests and submissions
 - Preferred outlines?
 - Presentation focus?
- Market Inquiries
 - When to utilize
 - Best practices

**ATTENDEE POLL
QUESTION #1**



Intake, Queue and Underwriting Process

- Intake Process

- Who or how many folks are screening the applications?
- What do you think is the top source of delay during intake? ←
- At the time of intake what is reviewed for deficiency?
- How quickly are lender's alerted to a deficiency?
- How much time does the lender have to cure these deficiencies at intake?
- How long does the intake process take?

**ATTENDEE POLL
QUESTION #2!!**

- Queue Timing

- What is average time from placement in queue to underwriter assignment?
- What could impact delays in the queue or deal assignment date slippage?
- Describe practices the NE Region is taking to limit review times once deal is assigned
 - HEROS started early?
 - eTool Started early?
- Lenders, what Best Practices have you practiced? ←

**ATTENDEE POLL
QUESTION #3!!**

- Underwriting

- What do you think is the top source of delay during underwriting? ←
- Lender Site Visit Waiver
- Cash Out Waiver
- APPS FLAGS
- Best Practices for Lenders

**ATTENDEE POLL
QUESTION #4!!**



Contractor Process

- Which of the following is not a responsibility of the Contractor?
- Which of the following application(s) are eligible for the Contractor?

**ATTENDEE POLL
QUESTIONS #5 & #6!!**



Applications Eligible for Contract Underwriting Services

Section 223(a)(7)s, excluding:

Those requiring National Loan Committee review

Section 223(f)s, excluding:

Those requiring NLC review

Moderate rehab (“heavy” f’s)

New LIHTC

RAD conversions

Any environmental issues or significant risks

Section 221(d)(4)s – coming soon, but will exclude:

Those requiring NLC review

Pre-Applications (Firm Applications only)

New or Pilot LIHTC

RAD conversions

Any environmental issues or significant risks



Contractor's Underwriting Responsibilities

- Coordinate with the Lender (introductory email, kick-off call, questions/requests for revisions, etc.)
- Review and underwrite the application in accordance with the MAP Guide
- Review the CNA e-Tool and send to HUD for approval once ready
- Review waiver requests and route to HUD for decision
- Discuss any issues or questions with HUD
- Submit underwriting deliverables to HUD:
 - Underwriting narrative
 - Draft firm commitment package
 - If required, present to Regional Loan Committee

HUD's responsibilities include:

- Environmental review/HEROS
- Previous Participation reviews
- Coordinating other internal reviews
- Approve waivers, review deliverables, and sign the firm commitment



Questions?



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