

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



2018 Annual Southeast Mortgagee Advisory Council (SMAC) Conference - April 10-12, 2018

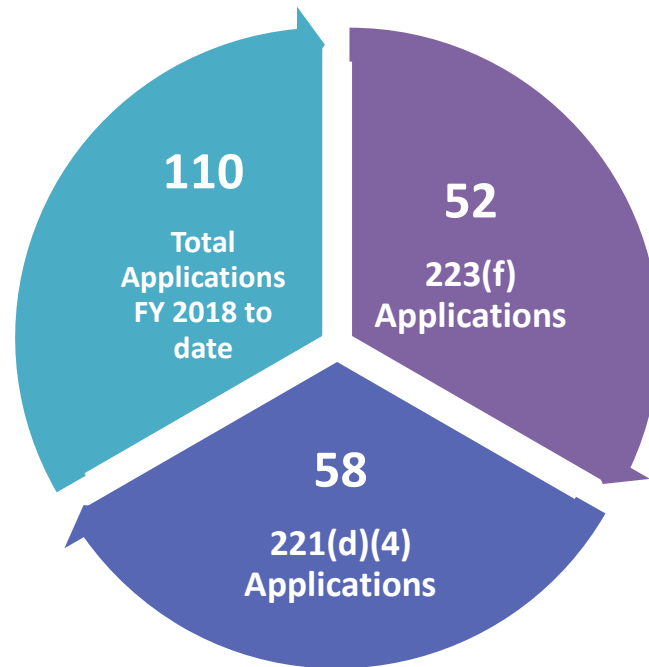


U.S. Department of Housing and Urban Development
Southeast Region - Multifamily Production

IMPROVING THE APPLICATION HIT RATIO

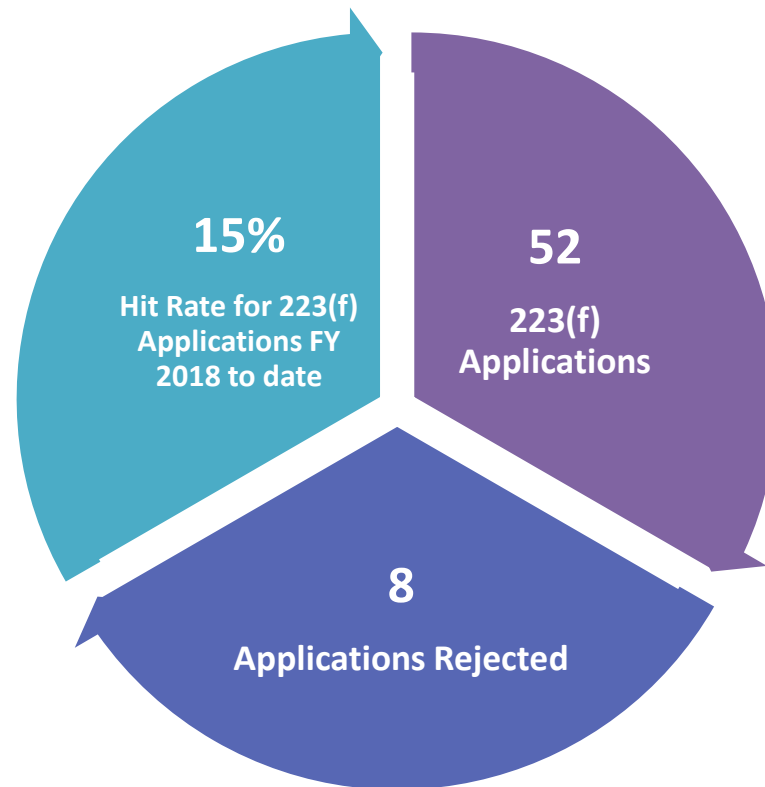
Identifying, Underwriting and Mitigating Risk – Round Table Interactive Discussion

Fiscal Year 2018



223(f) Applications Hit Ratio

Fiscal Year 2018



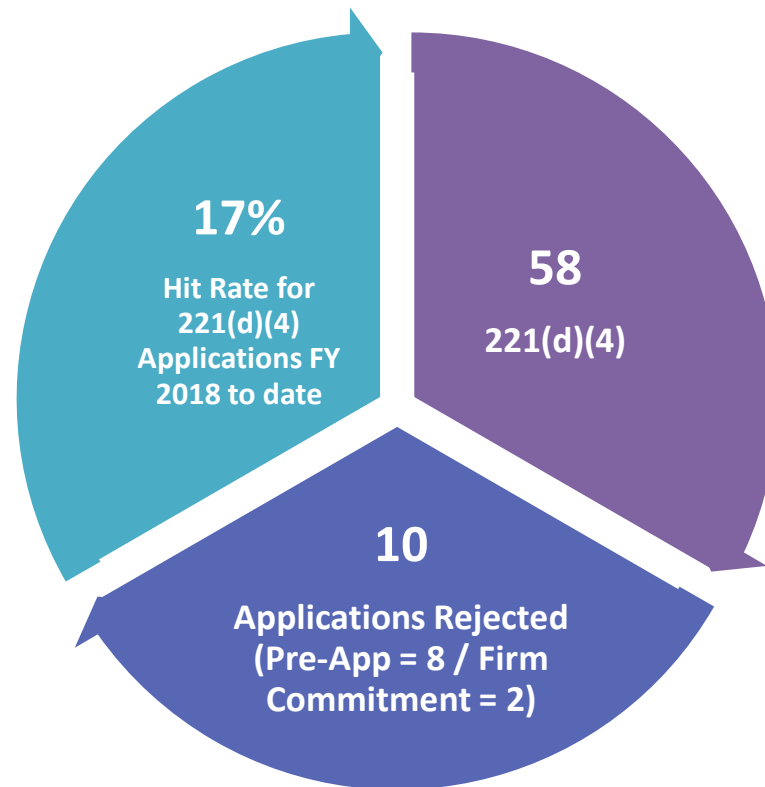
223(f) Applications

Top Reasons for Rejection

- (4) The waiver of Housing Notice 2013-17 Section VII.A “Refinancing Resulting in Reduction in Debt Service” could not be granted.
- (3) Functional obsolescence, significant depreciation and significant structural distress.
- (1) The borrower did not have sufficient liquidity.

221(d)(4) Applications Hit Ratio

Fiscal Year 2018



221(d)(4) Applications

Top Reasons for Rejection

- (7) EMAD / Market Demand is Insufficient.
- (3) Environmental Issues / 8-Step Process.
 - Recognized Environmental Condition (REC) for On-Site and Adjacent Responsible Party, Past Industrial, Detrimental Operations.
 - The 8-Step Process to complete HEROS was not acceptable.
 - The proposed site was not suitable for a project of this size and scope.

Thank you

