

SMAC

HUD MULTIFAMILY UPDATE

APRIL 11, 2018

TED TOON
SENIOR ADVISOR

Agenda

- Leadership update
- Regulatory Reform
- Hiring update
- FY 18 and FY 19 budgets
- State of the Portfolio
- HUD Strategic Plan
- HOTMA
- Fast Act
- Envision Centers

Leadership Update

- Ben Carson, Secretary
- Pam Patenaude, Deputy Secretary
- Janet Golrick, Senior Advisor
- Brian Montgomery, Nominated, Awaiting Vote
- Dana Wade, General Deputy Assistant Secretary, Housing
- Pat Burke, Acting Director, Production
- Dan Sullivan

Regulatory Reform

- 2 for 1 deregulatory process
- April 2017, OMB released Frequently Asked Questions document
- HUD published notice May 15, 2017, soliciting public comments
 - received 298 comments
- HUD published FR item December 22, 2017, stating that five proposed rules being withdrawn
 - Reginfo.gov for more info

FY 2018 Budget and Hiring

Hiring

- Administration released Executive Order January 23, 2017 which restricted federal hiring. On April 12, 2017, hiring freeze was lifted although agencies have been instructed to move forward strategically, making sure hiring efforts are consistent with plans to reduce workforce
- We await guidance from HUD on how to move forward.

Budget

- Budget Control Act caps were increased for domestic discretionary programs, resulting in higher appropriated levels

FY 2018 Budget - Project Based Rental Assistance

- Provides \$11.515B for renewal of all PBRA contracts through calendar year 2018
- CY funding increases predictability of funding, allowing owners to continue leveraging private debt and equity, reduces risk of late payments due to government shutdowns, etc.

Performance-Based Contract Administrators

- Includes \$285M to fund PBCAs
 - Both national and regional solicitations cancelled March 13

FY 2018 Budget - RAD

- Increases the RAD public housing cap to 455,000 units
- Extends authority through September 30, 2024
- RAD for PRACs
- No incremental funding

FY 2018 Budget - Other Multifamily
Program Provisions

Rent Supplement/Rental Assistance Payment

- \$14 million proposed, which combined with carryover funds enough to cover all obligations and support RAD conversions

Mark to Market

- Extends Mark to Market authority for an additional five years – October 1, 2022

FY 2019 Budget

- FY 2019 Administration's budget released on February 12, 2018
- President's budget is start of the federal budget process and is a policy recommendation document for Congress
- Congress and White House ultimately decide program appropriation levels and policy changes

FY 2019 Budget – Rent Reform

- Similar to FY 2018, Administration proposing Rental Reform strategies to reduce HUD's overall rental assistance costs
 - HUD will submit legislative proposal to Congress requesting authorization for these changes
- Key elements of the Rent Reform proposal include:
 - Establishing or increasing mandatory minimum rents;
 - Simplifying rent calculations and increasing tenant rent contributions;

OAMPO: Portfolio Snapshot

As of March 2018

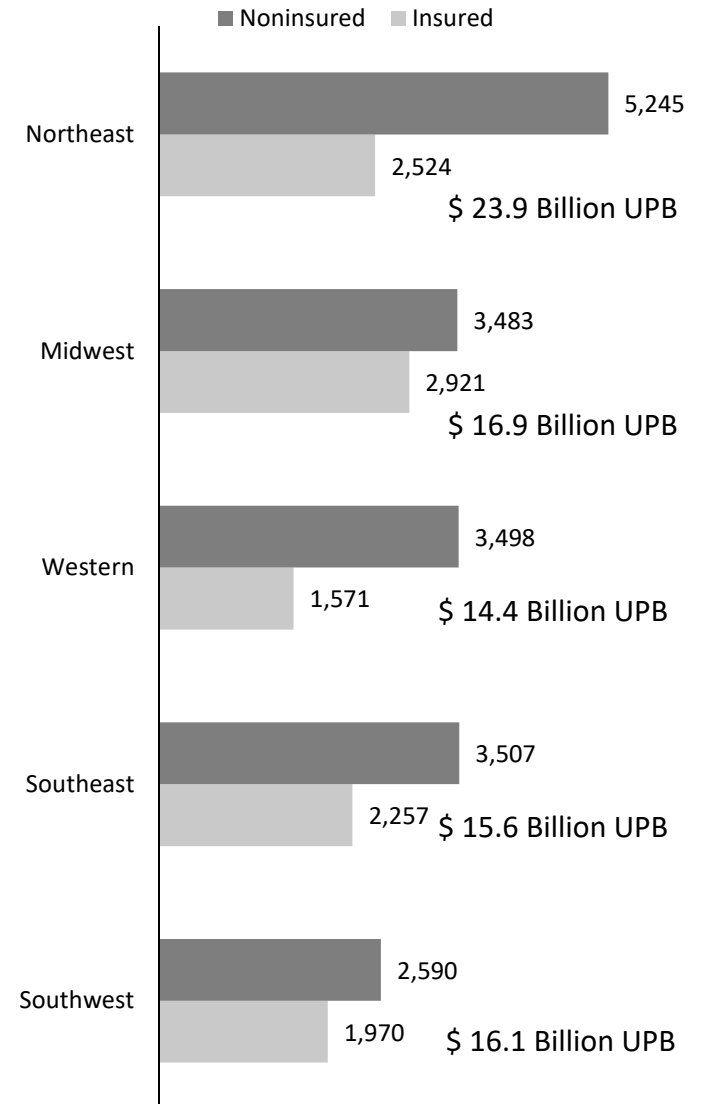
Portfolio Summary

	Type	# of properties	Dollars/Units
Insured UPB: \$87,794,714,577 Total assets: 11,420	221(d)4	1,660	\$22.0 billion
	223(a)7	3,326	\$19.1 billion
	223f	4,791	\$37.3 billion
	542b/ 542c	1,237	\$6.3 billion
	Other	406	\$3.1 billion
Non-Insured Portfolio: 1,173,094 units Total Assets: 18,574	Assisted Only	9,758	776,091 units
	Assisted with CA/DL	7,948	286,283 units
	Other	868	110,720 units

Insured Delinquencies – February 2017

	Projects	Amount	% UPB
DQ3 – 90 day	7	\$ 64,172,591	.06 %
DQ2 – 60 day	2	\$ 8,163,876	.02 %
Total	9	\$ 72,336,466	.08%

Project Distribution by Region



Questions

