

# HQ MULTIFAMILY UPDATES

SWAC

MAY 7, 2019

BOB IBER

SENIOR ADVISOR

OFFICE OF MULTIFAMILY HOUSING PROGRAMS

# Overview

- Multifamily Priorities
- State of the Portfolio
- 2019 and 2020 Budgets
- Shutdown Lessons Learned
- OZ and RAD Updates
- REAC Reform
- 221(d)4 LIHTC Pilot
- Production Data and Updates

# Multifamily Housing Priorities

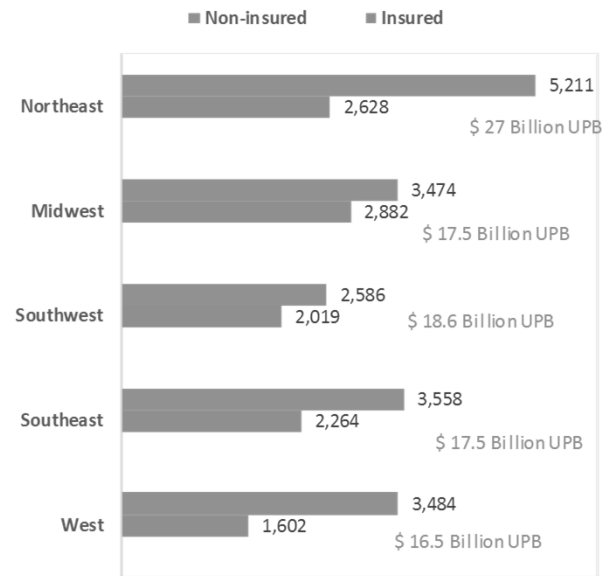
- **Staffing**
- **Information Technology**

# OAMPO: Portfolio Snapshot

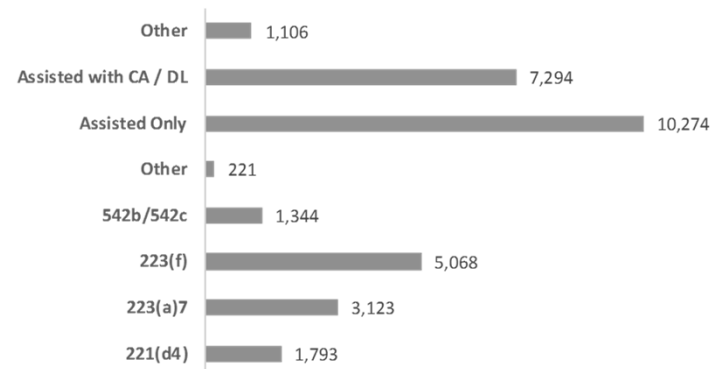
Portfolio Summary			
	Loan Type	Properties	Dollars/ Units
<b>INSURED UPB:</b>	221(d4)	1,793	\$26.6 Billion
	223(a)7	3,123	\$18.0 Billion
<b>TOTAL INSURED ASSETS:</b>	223(f)	5,068	\$42.3 Billion
	542b/542c	1,344	\$8.0 Billion
	Other	221	\$2.1 Billion
<b>NON-INSURED UNITS:</b>			
1,183,122 units	Assisted Only	10,274	822,426 units
<b>TOTAL NON-INSURED ASSETS:</b>	Assisted with CA / DL	7,294	223,862 units
	Other	1,106	136,834 units

INSURED DELINQUENCIES			
Delinquencies	Projects	Amount	% UPB
DQ2-60 days	1	\$8.1 M	0.01%
DQ3-90 days	8	\$105.6 M	0.11%
<b>TOTAL</b>	<b>9</b>	<b>\$113.7 M</b>	<b>0.12%</b>

## Properties by Region



## Properties by Type



# **Budget, Shutdown, OZ**

- 2019 Budget
- 2020 Budget
- Shutdown Lessons Learned
- Opportunity Zones

# Rental Assistance Demonstration

- Allows public housing and certain at-risk multifamily legacy programs to convert to long-term Section 8 rental assistance contracts
- 2 components
  - 1<sup>st</sup> Component: Public Housing, 455,000 unit cap
    - \* Administration's FY2019 budget requests elimination of cap on public housing conversions.
  - 2<sup>nd</sup> Component: Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), Moderate Rehabilitation (ModRehab), ModRehab McKinney Vento SRO, Section 202 PRACs, uncapped

# REAC Reform

- Issue
- Inspection Task Force
- New Inspection Model
- Inspection Pilot/Demonstration
- 14 Day Inspection Notification

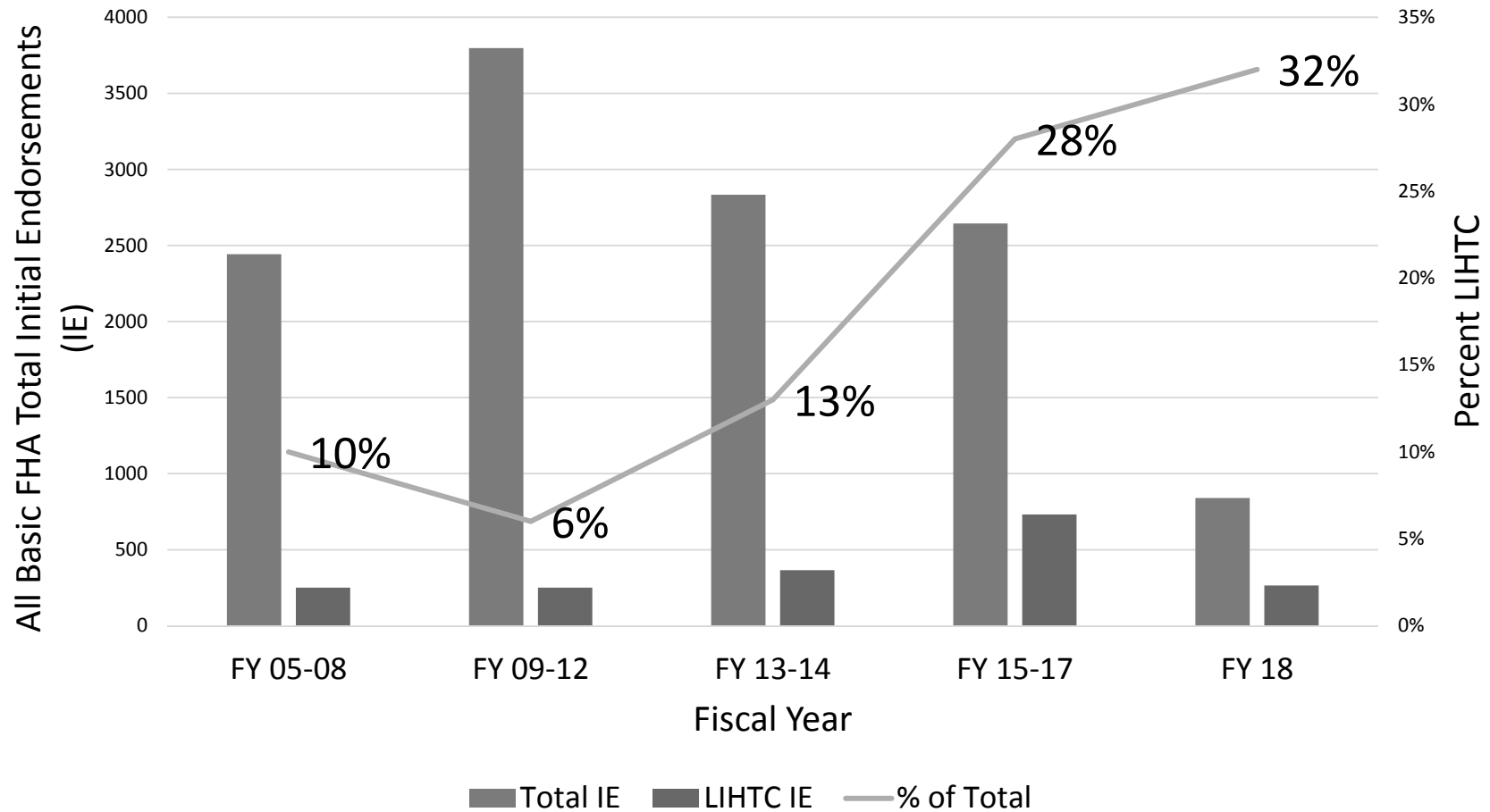
# 221(d)4 LIHTC Pilot- PURPOSE

Streamline the application review process and better align our programs with the LIHTC program.

- This Notice does not change our underwriting terms. This Notice changes the way we process Section 221(d)(4)/220 w/ LIHTC applications.



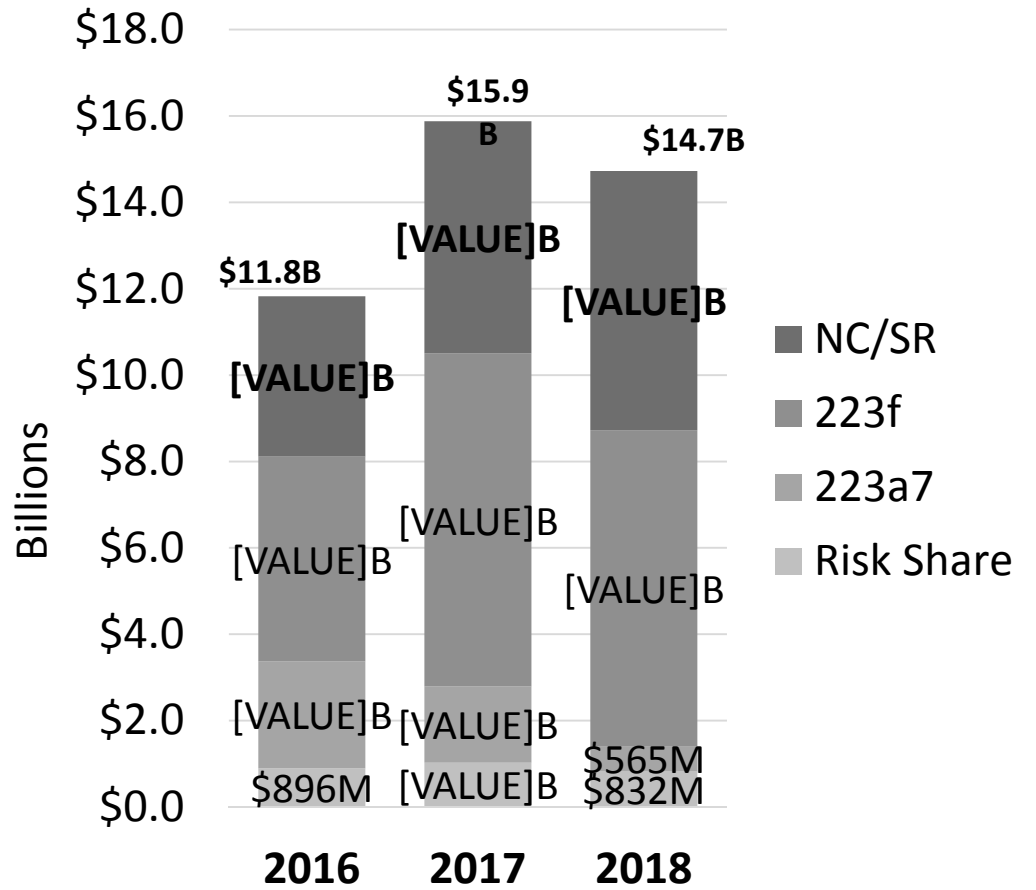
# LIHTC IE as % of All Basic FHA IE (excludes Risk Share)



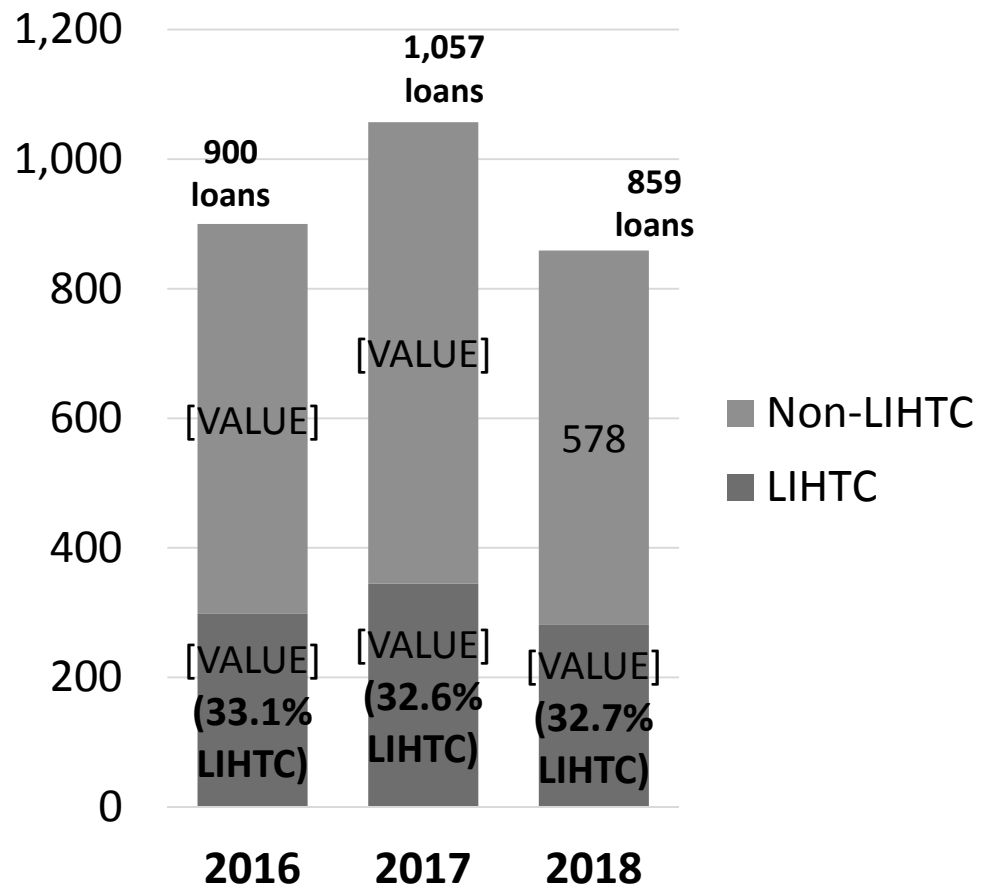
# LIHTC Pilot- Benefits

- Allows staff to focus on more complex deals.
- Lets Lenders do what they do best- UW complex deals.
- Faster processing times.
- Increases possibility for better interest rates.
- Establishes Closing dates upfront.
- Better Communication.
- Allows additional lender oversight during construction phase (i.e. changes orders approved faster.)
- Encourages development in Opportunity Zones.
- Creates & preserves affordable housing.
- Teaches us what works and what doesn't.

CY16-18 Initial Endorsement Volume (\$) by Program

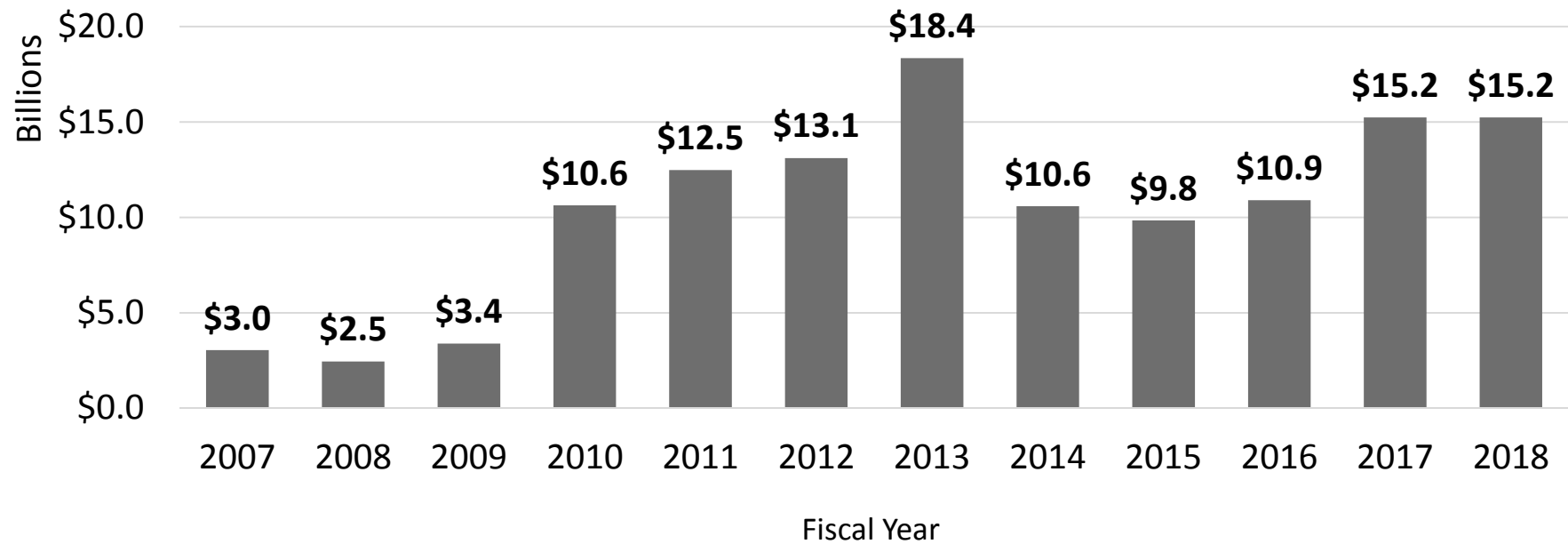


# CY16-18 Initial Endorsements – LIHTC vs Non-LIHTC



# FHA Multifamily Initial Endorsements

Basic FHA (excluding 232) and Risk Sharing



Historical Production (FY07-18)

# Top 20 FHA Multifamily Lenders

CY 2018  
Initial Endorsements

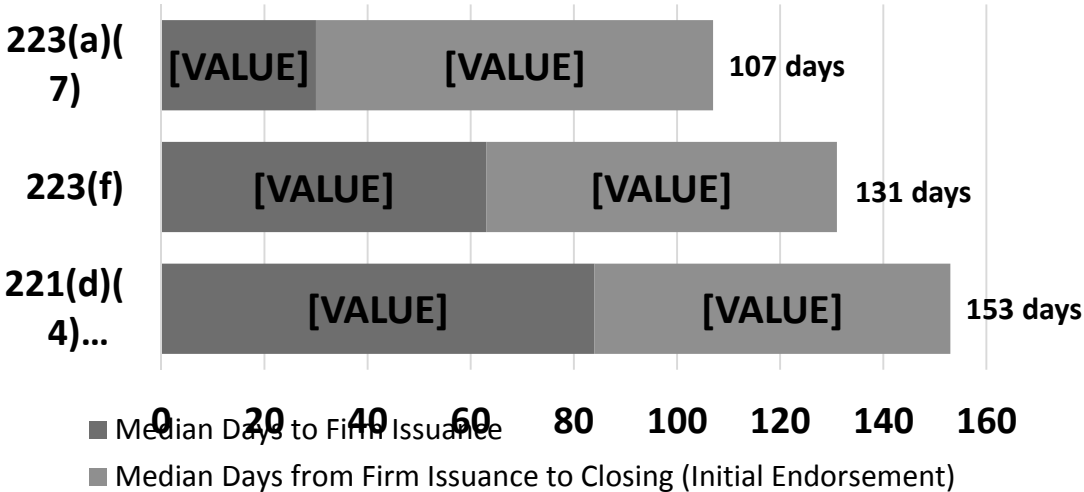
Basic FHA (excluding 232), No  
Risk Share

	MAP Lender	Loan Amount at Endorsement	# of Loans
1	ORIX REAL ESTATE CAPITAL LLC	\$ 1,709,780,800	95
2	BERKADIA COMMERCIAL MTG	\$ 1,348,374,200	65
3	GREYSTONE FUNDING/SERVICING	\$ 1,378,277,100	61
4	MERCHANTS CAPITAL CORP	\$ 913,413,900	53
5	WALKER AND DUNLOP LLC	\$ 910,323,300	47
6	DWIGHT CAPITAL LLC	\$ 777,010,300	47
7	WELLS FARGO BANK NA	\$ 744,051,700	33
8	JONES LANG LASALLE MULTIFAMILY, LLC	\$ 617,565,000	33
9	DOUGHERTY MORTGAGE LLC	\$ 522,420,100	28
10	CBRE HMF INC	\$ 461,971,300	17
11	PRUDENTIAL HUNTOON PAIGE	\$ 382,757,900	20
12	GERSHMAN INVESTMENT	\$ 362,467,600	21
13	CAPITAL ONE MF FINANCE LLC	\$ 309,570,300	12
14	AGM FINANCIAL SERVICES	\$ 297,288,600	15
15	LOVE FUNDING CORP	\$ 263,940,000	28
16	M & T REALTY CORP	\$ 216,302,900	7
17	MASSACHUSETTS HFA	\$ 207,981,100	7
18	HIGHLAND COMMERCIAL MTGE	\$ 191,457,100	11
19	BELLWETHER REAL EST CAPITAL	\$ 185,708,700	22
20	KEYBANK NA	\$ 163,152,500	14

FHA Multifamily...

How long does it take?

### Median Days to Firm Issuance and Closing Fiscal Year 2018



# Production Updates

Processing Timeframes

Closing Coordination

DB

Environmental

MAP Guide



# Production Updates

- Single Underwriter Model
- Lender Template
- Reg Reform
- CNA eTool and AUSS
- FHA Experience
- Best Practices
- Lender Metrics

# Questions

