

**FHA Multifamily Housing Map Guide Feedback**  
*Doing Business with FHA - Other Participants in FHA Transactions*

Company Name: National Affordable Housing Management Association (NAHMA)  
 Contact Name: Larry Keys  
 Contact Phone Number: 703-683-8630, ext 111  
 Contact Email address: lkeys@nahma.org  
 Type of Company/Business Interest: Trade Association

**Instructions**

1. Provide only one set of comments per Trade Association (or Company).
2. Provide the Type of Company/Business Interest - for example, Trade Association, MAP Lender, 3rd Party Professional, Trade Association.
3. In the "Chapters and Section" column, you may put the word General if you are commenting on something that is not page specific. General can address usability, structure, and any overall comments you might have.
4. Please provide only the page number of the first page you are referencing. This will make it easy to group and sort.
5. Please provide only the line number of the first line you are referencing. This will make it easy to group and sort.

Feedback Number	Chapters and Section	Page Number	Line Number	Feedback
1	1.5	18	15-16	NAHMA recommends providing clarity on closing responsibility under workload sharing. How will the owner/applicant know the closing protocols are being followed?
2	3	General	General	NAHMA recommends HUD include special underwriting consideration for small projects (i.e., less than 20 units). Expensive third-party costs, like a project capital needs assessment (PCNA) and an appraisal, will potentially deter small property owners from using HUD's programs. NAHMA recommends including a modified scope for a PCNA and appraisal for small projects, since these loans are typically small and are a proportionately lower risk to the insurance fund.
3	14.2	507	35	NAHMA looks forward to reviewing additional information regarding the Federal Housing Administration (FHA) Tax Credit Pilot Program expansion. The draft states more future guidance is forthcoming for new construction and substantial rehabilitation projects.
4	3.6.C	69	23-31	NAHMA is concerned that this change is significant from previous requirements.
5	3.7.V	77	34-35	NAHMA recommends including yield maintenance as a mortgageable cost.
6	3.8	79	11-21	NAHMA recommends additional guidance to clarify if all 223(a)(7) transactions require a PCNA and the waiver approval process if a recent PCNA has been completed.
7	3.8	79	14-15	The guidance indicates that HUD will exercise greater flexibility in sizing the reserves given the project is already insured. Section 5.2 essentially caps per unit repairs at \$1,000/unit. NAHMA recommends more flexibility on sizing reserves.
8	18.3	549	9-16	NAHMA recommends HUD consider making the repair guarantee 10% of non-critical repair costs for non-profits, and providing written guidance in the MAP Guide that the replacement reserve account is to be used to fund the escrow to the extent more than \$1k/unit remains in the account after funding the guaranty. This is consistent with current policy for 202 refinances, per the HUD HQ Memo dated April 18, 2006.
9	5.2	99	24-30	NAHMA recommends the threshold of repairs which require an architect be increased from \$15,000 to \$6,500 times the high cost factor, or \$15,000, whichever is greater. Projects in high cost areas which can currently include up to \$17,550/unit (\$6,500 x 270%) are actually incentivized to reduce the scope of their repairs below the \$15,000 threshold to avoid paying: o Architect fees o Higher PCNA costs
10	5.10.L.5	133	31-32	NAHMA recommends allowing this for non-profit borrowers who have no other source of funds. If the repair guaranty is allowed to be funded with replacement reserve funds, then it is counter-intuitive to say an entity can't use the replacement reserve account to fund cost overruns.
11	5.3	102	Chart	The MAP Guide indicates that the architect will make a determination on whether a general contractor and 2328 should be used; however, there is no additional discussion on how that decision should be reached and documented. NAHMA recommends providing clarifying guidance.
12	5	94	General	NAHMA recommends guidance on what level of plans/specifications are required for Section 223(f) properties with repairs above \$15k. No guidance was included in the Chapter 5 or Appendix.
13	7.8	202	5-6	The MAP Guide is unclear but in circumstances where the Section 8 rents may be in excess of market rents on non-Section 202 properties. NAHMA recommends HUD provide clarifying guidance.
14	14.7	493	4-5	For LIHTC projects with rental assistance (Section 8 Contract), is this requirement only for 221d4 transactions?

Correct Example	7.1	1	27	Need reference or definition of "medium to high risk transaction" <b>EXAMPLE</b>
	Chap. 8	General	General	References to secondary financing terms are inconsistent with recent guidance for the program <b>EXAMPLE</b>
Incorrect Example	2.6 - 3.2	15-30	30-75	The definitions of a few programs conflicts with other guidance <b>EXAMPLE</b>