

NAHMA News

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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HUD Revises Bed Bug Guidance

HUD provides new overall guidance on bed bug infestations in Notice H 2012-5, including owners' and tenants' roles, while clarifying issues related to bed bugs, insects and all manners of vermin in HUD-insured and assisted multifamily housing.

The new guidance, issued April 23, supersedes Housing Notice 2011-20, "Guidelines on Bed Bug Control and Prevention in HUD Insured and Assisted Multifamily Housing," which was issued in August 2011 and which contained a number of very problematic requirements as detailed in previous NAHMA member communications. In particular, the new guidance affirms owners' rights to pursue damage claims and terminate tenancy as a result of bed bug infestations, a critical item for NAHMA members. In revising its

HUD removed its blanket prohibitions on both CHARGING residents for bed bug treatments when they cause damages and TERMINATING the tenancy for residents who fail to comply with treatment protocols.

guidance, HUD removed its blanket prohibitions on both charging residents for bed bug treatments when they cause damages and terminating the tenancy for residents who fail to comply with treatment protocols.

"All Owners (of assisted and unassisted properties) may pursue remedies provided in the lease agreement and in accordance with state and local rental law," says the notice, which also instructs owners to follow guidelines on occupancy requirements and to adhere to all HUD, state and local landlord-tenant laws before taking action against residents.

In addition, the new guidance clarifies that some provisions apply to assisted properties and some apply across the portfolio. The guidance is applicable to properties with:

continued on page 4



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Express Yourself

AS YOU CAN SEE BY THE ARTICLES in this issue of *NAHMA News*, there are appropriations bills and other bills being debated in Congress that will have a tremendous impact on the work of everyone in our industry. In election years especially, every vote in the Senate or the House is important and takes place in a challenging context. After what you read in the papers or hear on the news, it can be easy to throw up your hands and be convinced that mere constituents have no power or say in the decisions that will be made.

This is simply not true. For example,

Especially for important programs like this, I can't stress enough how imperative it is that we keep up the pressure—that you keep up the pressure.

for some time now NAHMA has been urging you to call your Senators and make the case for full funding of the Project-based Section 8 program. Because many of our members called their Senators with a very convincing case for the value and importance of this program, the Senate voted for full funding. Now that same effort needs to be put toward members of the House of Representatives who, at press time, had not yet voted on the FY 2013 budget request.

Especially for important programs like this, I can't stress enough how imperative it is that we keep up the pressure—that you keep up the pressure. Many forces are at work in an election year, but one constant in politics is that we do have a voice, and we need to express it.

YOU HAVE THE TOOLS

That's why NAHMA has invested so

much time on resources you can use when writing or calling your elected officials.

On our website is a Grassroots Action Center that has every tool you need to make this easy and efficient. We alert you to the most urgent issues that need to be addressed, provide you with Talking Points and Fact Sheets on our legislative priorities, and supply links to both the Senate and the House so you can locate contact information easily. We even link to a mini civics lesson about the legislative process.

MAKE IT VISUAL

Another important online tool is NAHMA Maps. Developed by NAHMA in partnership with ApartmentSmart.com, this tool allows you to collect visual and statistical information about legislators' districts and/or states. It makes crystal clear the importance of your work in improving the quality of life of low-income residents and demonstrates how well the affordable housing programs are working.

It also can't help but demonstrate the importance of affordable housing to the *economy*—look at yourself as the job creator you are!

Please be responsive when we ask you to contact your members of Congress. Your voice really does make a difference. **NN**

Kris Cook is Executive Director of NAHMA.

HUD REVISES BED BUG GUIDANCE, *continued from page 1*

■ Section 8 Project-based Rental Assistance, Rent Supplement or Rental Assistance Payment (RAP) contracts;

■ Active Section 202 direct loans, Section 202/162, Section 202 and 811 capital advances, and Section 202 Senior Preservation Rental Assistance contracts or Section 811 Project Rental Assistance demonstration funding.

■ Active FHA-insured first mortgages under Sections 207 pursuant to 223(f), 221(d)(3), 221(d)(4), 221(d)(5), 231, 213 or 236.

Certain parts of the notice apply only to assisted properties. The notice does not supersede existing lease provisions that comply with state and/or local landlord-tenant laws that have been approved by HUD, if such

approval is required. For owners and agents of unassisted properties, this notice does not supersede state and local landlord-tenant law related to lease enforcement, housing habitability and cure rates for damages.

In all instances, tenants and own-

ers/agents should refer to the property lease and the property "house rules" for details on rights and responsibilities related to infestations and physical condition standards.

Some assisted properties also fall under provisions of the HUD Model Lease for Subsidized Programs, also known as the Family Model Lease, which are covered in HUD Handbook 4350.3, "Occupancy Requirements

guidance.

NAHMA members with specific responsibilities for managing bed bug infestation can find Notice H2012-5 Guidelines on Addressing Infestations in HUD-insured and Assisted Multifamily Housing in its entirety. The guidelines are also posted on NAHMA's HUD webpage, www.NAHMA.org/member/HUD.html, under the Bed Bugs heading. **NN**

NAHMA and its Bed Bug Task Force took a **LEADERSHIP ROLE** in advocating for these **major changes** in the new guidance.

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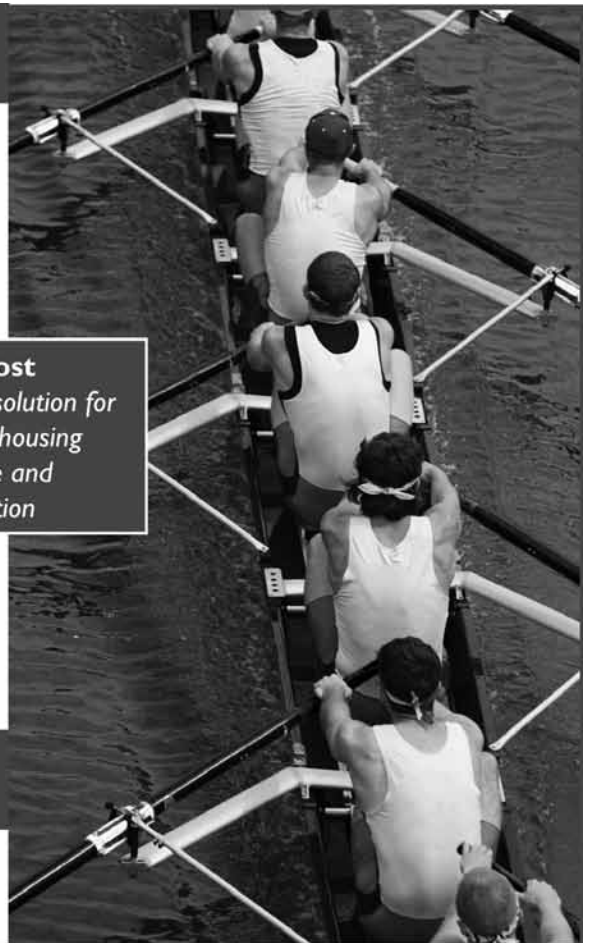
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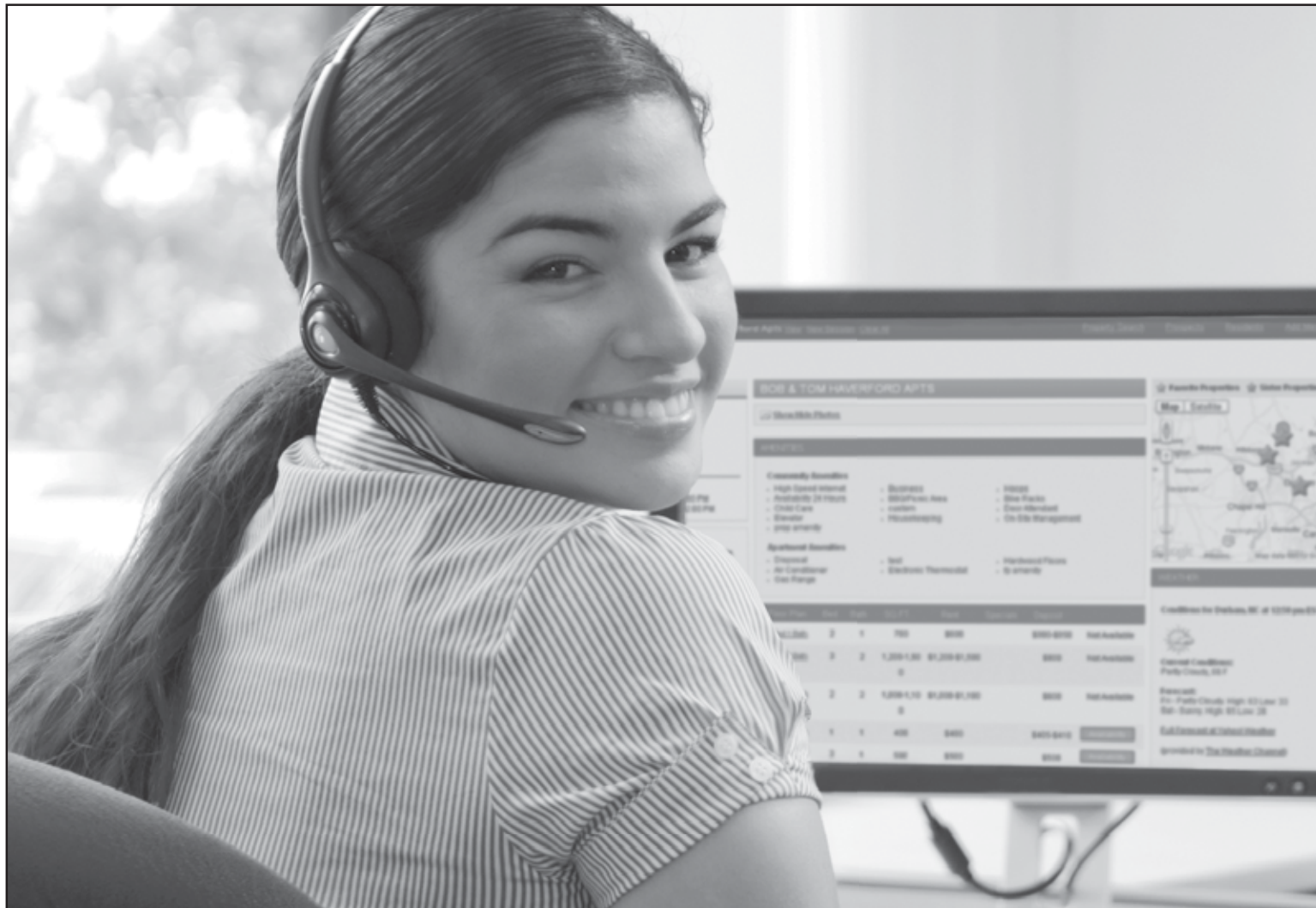
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A Path Forward for Affordable Housing Programs?

ON MARCH 13, 2012, NAHMA members met to brainstorm about possible alternative futures for federal affordable multifamily housing programs. This meeting was a special Tuesday-morning session which was added to the NAHMA Winter Membership Meeting.

The premise of the discussion was that affordable housing programs could face severe cuts as a result of mandatory sequestration imposed by the Budget Control Act. This sequestration, or automatic spending reduction, is scheduled to take effect January 2, 2013. NAHMA members expressed concern that these cuts may be imposed haphazardly through cuts to management fees, reductions in families served, etc. They wondered if there was a path forward for affordable housing programs which would build on what works, spare existing properties from harmful budget cuts and improve the delivery of affordable rental housing in the future.

CUTS WILL AFFECT RESIDENTS AND O/AS

The discussion explored ideas which could result in program efficiencies, cost savings and greater assurances that the proper benefits are directed to qualified households.

The preliminary conversation focused on suggestions which would affect both residents and owners/agents (O/As). The policy proposals ranged from tweaks of current administrative practices to controversial statutory changes.

For example, questions were raised about how tight federal budgets would affect preservation initiatives, as well as availability of quality senior housing while the U.S. population rapidly ages. Members

expressed interest in learning more about the role “workforce housing” might play in bridging affordability gaps for struggling families. Streamlining compliance requirements and removing regulatory barriers in order to make federal housing programs work better together were popular ideas. A larger question members were asked to think about was what types of properties would they *want* to manage?

Some guiding principles of the conversation assumed:

- Substantial budget cuts will take effect next year, affordable housing programs **will** be affected and NAHMA should discuss proactive initiatives to get ahead of the cuts.
- Low-income residents should not be expected to bear the brunt of federal budget cuts.
- O/As should also be willing to make concessions.
- We will use a knowledge-based approach to evaluate the ideas more thoroughly, which will include independent “scoring” of costs and savings expected to result from the ideas.
- **The ideas offered at the brainstorming session are just that—preliminary ideas to begin a thoughtful dialogue about the future of federal affordable housing programs. They are not official NAHMA policy positions. (All official NAHMA policy positions must be approved under the formal procedures established in our bylaws.)**

CREATION OF THE ALTERNATIVE FUTURES WORKING GROUP

At the conclusion of the March 13 discussion, several members volunteered to serve on an Alternative Futures Working Group.

The Working Group’s task is to more thoroughly examine, evaluate and prioritize these proposals. Our goal is to present the Working Group’s recommendations to the broader membership at NAHMA’s June meeting. At the June 27 Federal Affordable Multifamily Housing Policies Issues Forum, NAHMA members will have the opportunity to comment on the Working Group’s recommendations.

Once again, it is important to emphasize that the proposals will not become official NAHMA policy statements unless they are supported by NAHMA members through our formal public policy approval procedures. This is only the beginning of a deliberative process. Some of the initial ideas offered in March may be rejected outright after the Working Group and NAHMA members review them in detail.

Finally, it is important to acknowledge that we are not working in a vacuum. Before NAHMA sends the recommendations to its board for final review and approval, NAHMA will invite feedback from its multifamily industry colleagues. Because the final recommendations on Alternative Futures for Affordable Housing are likely to touch on many facets of the multifamily industry, it is appropriate to consider the views of other industry partners who may be affected by such policy changes.

Hopefully, you are planning to attend the NAHMA Summer meeting. If not, does the opportunity to participate in a serious discussion about alternative futures for federal affordable multifamily housing programs interest you enough to reconsider? **NN**

Michelle Kitchen is Director, Government Affairs, for NAHMA.

“Relying” on New Income Limits

HUD RELEASED THE FY 2012 MTSP income limits on December 1, 2011, also the effective date. For purposes of IRC §42, Rev. Rul. 94-57 provides that taxpayers may “rely” on the income limits published by HUD until 45 days after HUD releases a new list of income limits, or until HUD’s effective date for the new list, whichever is later. This year, since the income limits were released and effective on the same day, taxpayers could rely on the 2011 income limits until January 14, 2012.

The 45-day implementation period hadn’t been much of an issue in the past because the new limits remained the same or increased, and it was clearly to the taxpayer’s advantage to adopt the new income limits as quickly as possible. Where the income limits decreased this year, different issues become apparent. To what extent can taxpayers really “rely” on the outdated income limits during the implementation period?

The straightforward answer is that taxpayers can rely on the outdated income limits for all purposes, and may choose which income limits to use (outdated or new) based on which provides the greater tax benefit.

Three examples are presented here.

INCOME CERTIFICATIONS

A taxpayer placed a new low-income building in service in July of 2011 and started renting units using the 2011 income limits to determine whether households are income-qualified.

2012 will be the first year of the

credit period. The 2012 income limits are lower than the 2011 income limits.

All of the tenants determined to be income-qualified using the 2011 income limits before the beginning of the credit period on January 1, 2012, continue to be qualified low-income households. Further, for purposes of “testing” income at the beginning of the credit period

...taxpayers can rely on the outdated income limits for all purposes, and may choose which income limits to use (outdated or new) based on which provides the greater tax benefit.

under Rev. Proc. 2003-82, the taxpayer may rely on the 2011 income limits to determine whether the Available Unit Rule is applicable.

The owner may continue to qualify new tenants using the 2011 income limits, as long as the effective date for the income certification is before or on January 14th, 2012. The effective date is the date the tenant actually moves into the unit.

GROSS RENT FLOOR

Under IRC §42(g)(2)(A), a unit qualifies as a low-income unit when the gross rent does not exceed 30 percent of the imputed income limit unit under IRC §42(g)(2)(C). IRC §42(g)(2)(A) includes a rent “floor” so that the income limits used to compute the rent are never less than the income limits used to compute the rents “for the earliest period the building was included in the determination of whether the project is a qualified low-income housing project.”

In English, the rents are never going to be lower than the maximum gross rent for the first year of the credit period.

But what are the rent limits for the first year? Under Rev. Proc. 94-57:

If the taxpayer received an allocation of credit under IRC §42(h)(1), the IRS will treat the gross rent floor as taking effect on the date the state agency

initially allocated the housing credit to the building.

For a bond-financed building described in IRC §42(h)(4), the IRS will treat the gross rent floor as taking effect on the date the state agency initially issues a determination letter to the building.

However, in either case, the IRS will treat the gross rent floor as taking effect on a building’s placed-in-service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed-in-service date and inform the state agency that made the allocation to the building no later than the date on which the building is placed in service.

What happens if a taxpayer places a low-income building in service between December 1, 2011 and January 14, 2012 (inclusive), designates the placed-in-service date to establish the rent floor, and the 2012 income limits are lower than the 2011 income limits? Clearly, it is to

the taxpayer's advantage to use the 2011 income limits to establish a higher gross rent floor, but can the taxpayer rely on the 2011 income limits for this purpose?

Yes. The taxpayer may rely on the 2011 income limits up to and including January 14, 2012, for all purposes.

DESIGNATION AS RURAL AREA

The final example involves low-income housing projects located in rural areas. The National Nonmetropolitan Median Gross Income (NNMGI) is used instead of HUD's MTSP income limits if:

IRC §1400N(c)(4), Special Rule for Applying Income Tests, is applicable. The IRC §42 project was:

1. placed in service during 2006, 2007 or 2008,
2. is located in the Gulf Opportunity

Zone, and

3. is in a nonmetropolitan area as defined in IRC §42(d)(5)(B)(iv)(IV); i.e., the term "nonmetropolitan area" means any county (or portion thereof) which is not within a metropolitan statistical area.

IRC §42(i)(8) is applicable. The IRC §42 project is located in a rural area (as defined in Section 520 of the Housing Act of 1949) and the NNMGI is greater than the AMGI. IRC §42(i)(8) is not applicable if the low-income buildings are financed with tax-exempt bonds. IRC §42(g)(8) is applicable to determinations made after July 30, 2008.

What happens if the location loses its designation as a "rural" area?

For purposes of determining whether a household is income-qualified, the

taxpayer can continue to use the NNMGI as long as the effective date of the income certification is before January 15, 2012.

For purposes of determining whether a household is income-qualified, the taxpayer must start using HUD's MTSP income limits for certifications effective after January 14, 2012.

The gross rent floor established using the NNMGI remains in place and can be relied upon, even though the taxpayer is now using the MTSP income limits. **NN**

Grace F. Robertson is Senior Program Analyst for the Internal Revenue Service and the Chief Compliance Officer for the LIHTC program. This article is adapted from the March 2012 issue of the IRS's LIHC Newsletter.



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NAHMA Keeps Close Eye on Key Bills

Three bills being debated in Congress—the Affordable Housing and Self-Sufficiency Improvement Act (AHSSIA), Violence Against Women Reauthorization Act (VAWA), and the Choice Neighborhoods Authorization Act—have significant implications for owners and managers of affordable housing.

As always, but particularly in this season leading up to the fall elections, additional debate is expected and amendments may be offered on each of these bills. NAHMA is monitoring key aspects and communicating with the proper congressional committees to advance member and industry positions on the legislation.

THE AFFORDABLE HOUSING AND SELF-SUFFICIENCY IMPROVEMENT ACT (AHSSIA)

AHSSIA would make important improvements to the Section 8 voucher program. At press time, it was a draft bill that had not yet been formally introduced, and thus had no bill number. The draft was developed by the House Financial Services Insurance, Housing, and Community Opportunity Subcommittee, and tracked with previous draft legislation intended to reform the voucher program. However, the draft AHSSIA included new provisions that would increase minimum rents for public housing, Project-based Section 8 and the housing choice voucher (HCV) program to \$69.45 per month, annu-

ally index that number to inflation and include a study on legacy use of HCV.

The Financial Services Insurance, Housing and Community Opportunity Subcommittee passed AHSSIA by voice vote on February 7, 2012.

Specific improvements that AHSSIA would make include provisions that would:

- Streamline inspections of housing units, a move that would help voucher holders in tight rental markets;
- Simplify rules for determining rent and income;
- Stabilize voucher funding by basing it on the previous year's leasing and cost data;
- Allow rental assistance and rent supplement program properties to convert to long-term Project-based Section 8 contracts; and
- Authorize HUD to provide Limited English Proficiency (LEP) technical assistance, including provisions for translations and a toll-free hotline.

NAHMA acknowledges the importance of clear communication with tenants and constituent communities, as well as the need for a practical approach for doing so. The LEP language is responsive to these concerns, as it would relieve housing providers of an unfunded obligation to provide language services while providing better access to HUD housing programs for those with limited proficiency in English.

Amendments to the proposed bill that were subsequently withdrawn included:

- Allowance for rents above 120 percent of fair market rents for disabled households with HCVs;
- Elimination of the minimum rent language;
- Allowance for HCVs for homeownership opportunities for manufactured housing; and

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■ Elimination of language allowing Section 8 properties to use PHA local preferences and waiting list tools to replace the Moving to Work expan-

as opposed to current regulations which require minimum or higher rent levels to start immediately; and

■ Allow administrative review upon

Services Committee staff and industry colleagues on alternative language.

Time limits and work requirements: A potential amendment to AHSSIA would increase time limits and work requirements for Tenant-based and Project-based Section 8 programs. These proposals originated in HR 4145, the Section 8 Reform,

Responsibility and Accountability Act of 2012.

The legislation would, among other effects, prohibit housing of felons and illegal aliens, require housing preferences for veterans, establish work requirements for Section 8

NAHMA acknowledges the importance of clear communication with tenants and constituent communities, as well as the need for a practical approach for doing so. The LEP language is responsive to these concerns....

sion with the Housing Innovation Program for public housing.

Although the subcommittee approved AHSSIA by voice vote, controversy over the minimum rent, Moving-to-Work and other provisions have delayed consideration by the full Financial Services Committee. Amendments that may be offered during a committee mark-up include:

Minimum rents: One amendment may require onerous administrative burdens on property owners and management agents of Project-based Section 8 properties and public housing agencies. For example, responsible entities would be required to determine whether or not the tenant is eligible for hardship exemption to the minimum rents.

In addition, the responsible entity would be required to:

- Provide tenants with notification of their eligibility for the hardship exemption and how to apply;
- Accept a tenant's request for exemption at any time, even if the responsible party has not notified the tenant that he or she is eligible;
- Provide written notification to tenants as to why hardship exemption requests are rejected. Families requesting an exemption but not meeting the requirements would then pay minimum rent the first month after the determination,

rejection for hardship exemptions under certain circumstances.

NAHMA opposes increasing administrative burdens on owners and agents through the proposed hardship exemption language and is working with House Financial

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tenants and create a five-year lifetime limitation on Section 8 rental assistance for families who are not elderly or disabled.

Potentially, HR 4145 could impose management burdens on owners and agents, raising the possibility of an unfunded mandate for monitoring the work requirements and time limits. Similar work requirement and time-limit amendments have been offered

federally assisted properties.

The Senate passed several provisions in the bill (S 1925) related to affordable housing, including:

- Extending VAWA's protections to victims of sexual assault;
- Bringing VAWA protections to federal housing programs in addition to Section 8, including Sections 202, 811 and 236; homelessness assistance; HOME; public housing; all USDA-

clarify concerns with the notification language.

CHOICE NEIGHBORHOODS AUTHORIZATION ACT

As introduced by Sen. Robert Menendez (D-NJ), the Choice Neighborhoods Authorization Act (S 624) would permanently authorize HUD's Choice Neighborhoods Initiative, which Congress has approved as a

demonstration program. The Administration has requested authorization of the initiative in the fiscal years 2010 to 2013 HUD budgets. The House includes authorizing lan-

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to previous Section 8 reform bills.

In summary, NAHMA will continue working with the House Financial Services Committee members and others in Congress on a housing choice voucher reform bill that:

- Streamlines inspections;
- Reforms rent and income calculations;
- Allows rental assistance program (RAP) and rent supplement properties to convert to long-term Project-based Section 8 contracts;
- Carries the LEP authorization language; and
- Does not impose additional administrative or cost burdens on owners and agents.

VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT

The Violence Against Women Reauthorization Act (VAWA) would reauthorize and update the 1994 law. The bill has provisions to expand housing rights of victims of domestic violence, dating violence, sexual assault and stalking residents in

RD rural multifamily housing programs; and Low Income Housing Tax Credit properties; and

- Requiring each appropriate agency to set up policies and procedures for emergency transfers of victims to other subsidized housing.

Under legislation passed by the House of Representatives, HR 4970, relevant agencies would be responsible for developing model emergency relocation and transfer plans that would be subject to *voluntary* adoption by PHAs and owners and agents of assisted properties. This approach responds to NAHMA and industry stakeholder concerns that emergency transfers are not feasible in all cases because owners and agents cannot "transfer" tenants between properties.

Both bills allow third-party verification in certain situations, require HUD to translate and make VAWA notifications public and prevent LIHTC recapture because of noncompliance.

NAHMA and industry colleagues continue to work with Congress to

language on the initiative in HR 762, the Public Housing Reinvestment and Tenant Protection Act of 2011.

The initiative expands the HOPE VI program beyond public housing. It includes assisted and private distressed housing as eligible for funding and allows public, private and nonprofit partners to become eligible for grants. In addition, the initiative would expand the scope beyond demolition of distressed housing and help alleviate concentration of poverty in urban areas.

In testimony before the Senate Banking, Housing, Transportation and Community Development Subcommittee, HUD Assistant Secretary for Public and Indian Housing Saura Enríquez noted the positive impact of the demonstration. So far, the program has used \$130 million to provide 35 grants to local communities, which have leveraged that investment over 12 times their total grant award, resulting in approximately \$1.6 billion in other investments in distressed areas. **NN**

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NAHMA Sets Legislative Priorities

Concerns about the budget for Project-based Section 8 and potential shortfalls for operations continue to put the program at the top of NAHMA's 2012 legislative priorities. Top priorities include the overall appropriations for federal multifamily housing programs, Housing Choice Voucher (HCV) reform, and the Low Income Housing Tax Credit (LIHTC) program.

Through analysis, education and communication, NAHMA and its members, along with colleagues in the affordable housing industry, will seek appropriate funding and support improvements in each of these programs while resisting changes that would erode the ability of owners, agents and civic leaders to serve their communities.

PROJECT-BASED SECTION 8 PROGRAM

NAHMA strongly opposes HUD's proposals to reduce Project-based Section 8 funding and short-fund contracts in fiscal year 2013, an issue reported in previous issues of *NAHMA News* and in *NAHMA Analysis* position papers.

NAHMA is advocating to:

- Secure the appropriations needed to fully fund the 12-month housing assistance payments (HAP) contracts at the time of renewal in fiscal 2013; and
- Reject cuts to the Project-based Section 8 program and related budget proposals that jeopardize affordable properties' operations and preservation efforts.

Among other concerns, NAHMA is worried that partial or delayed HAPs caused by Section 8 funding cuts would cause deferred payments on property operations such as mortgages, maintenance, staff salaries and utilities.

NAHMA is convinced that deliberately underfunding contracts jeopardizes investor and owner confidence, only recently restored to the program. Stop-and-go funding policies could eat away at confidence in the program, which provides housing for 1.3 million low-income households, more than half of which are elderly or disabled households.

Project-based Section 8 generates many benefits for state and local governments, including support for 100,000 direct and indirect jobs and \$460 million in tax receipts, according to estimates.

The Senate Appropriations Com-

Project-based Section 8 generates many benefits for state and local governments, including support for 100,000 direct and indirect jobs and \$460 million in tax receipts, according to estimates.

mittee has responded to these and other concerns with a fiscal 2013 Transportation-HUD Appropriations bill providing \$9.87 billion for Project-based Section 8, with \$9.6 billion set aside for contract renewals in fiscal 2013. This amount is enough to fully fund all Project-based Section 8 contracts for their 12-month terms at renewal—as long as HUD is able to realize a projected \$400 million in savings from other proposals in its budget.

In the House, a greater level of uncertainty exists about prospects for full funding. A key reason is the starting point for deliberations. The House Appropriations Committee approved a top line spending level of \$51.6 billion for the Transportation-HUD Subcommittee for 2013, and that allocation is almost \$2 billion below the Senate's allocation and \$4 billion below the actual fiscal 2012 appropriations for Transportation-HUD.

NAHMA and its network, joined by industry colleagues and organizations, are advocating for a minimum of \$9.875 billion for Project-based Section 8, the level provided by the Senate's comparable version of the Transportation-HUD Appropriations bill for 2013.

OTHER FEDERAL MULTIFAMILY HOUSING APPROPRIATIONS

To support the critical role played by other federal programs in housing low-income families, ranging from Section 8 HCVs to Section 521 Rural Rental Assistance, NAHMA is advocating for:

- An appropriations level sufficient

to fully fund Tenant-based Section 8 contract renewals, Section 202 and 811 project rental assistance contracts and rural rental assistance contracts.

- Sufficient funding for HUD and USDA-Rural Housing Services for new construction and rehabilitation programs, which include HOME, CDBG, Section 202 and 811 capital advances, Section 538, Section 515 and the multifamily revitalization program.

- No underfunding of affordable multifamily housing programs as a result of sequestration required under the Budget Control Act.

Cuts in appropriations would take away jobs, and state and local governments would see further strain on their budgets from reductions in tax revenue, among other negative effects. HUD and USDA's programs not only increase and preserve affordable housing, they create jobs and generate economic activity. For example:

■ CDBG has directly created or retained more than 334,000 permanent jobs and sustained an additional 861,000 jobs over the last 10 years.

■ Over the last four years, CDBG helped more than 174,000 businesses expand economic opportunity for some of the country's most vulnerable citizens.

■ HUD estimates that \$1 billion for HOME in fiscal 2013 will create an additional 17,870 jobs.

The Senate's 2013 Transportation-HUD Appropriations bill provides full funding for HCV contract renewals and Section 202 and 811 project rental assistance contracts (PRACs), as well as more money for CDBG and level funding for HOME. But the bill does not provide any funds for Section 202 and 811 capital advances, which assist the quickest growing, most vulnerable populations in need of housing.

Again, NAHMA's concerns revolve around the reduction in the House's top line allocation and the limitations on funds available for HUD programs. NAHMA will closely monitor the situation and keep members informed as the

appropriations process moves forward toward fiscal 2013 decisions.

HOUSING CHOICE VOUCHER REFORM

NAHMA is pursuing several legislative, policy and regulatory issues regarding HCV reform. Please see the article on page 10 that discusses HCV reform.

LIHTC AND TAX REFORM

As comprehensive tax reform plans are discussed in Congress, NAHMA and its colleagues are pressing positions that protect and enhance the use of the LIHTC program, which means:

■ Opposing any proposal to eliminate the LIHTC program;

■ Backing measures (HR 3661 and S 1989) that would improve the efficiency of the low-income housing tax credit for affordable housing, such as permanently extending the flat nine percent credit rate before it sunsets after December 31, 2012, and create a flat four percent credit rate for allocated LIHTCs; and

■ Supporting reforms to LIHTC that are focused on better assisting very

low-income households and enhancing LIHTC's use in preservation of affordable housing.

NAHMA views the LIHTC program as a strong example of a successful public-private partnership. With an average of almost 1,390 projects and nearly 103,000 units placed in service each year from 1995 to 2009, according to HUD estimates, the program provides common ground for financing affordable housing.

Incentivized private-sector investment has helped to finance more than 2.4 million apartments for low-income families since 1986. And the National Association of Home Builders estimates an added 95,000 full-time jobs per year across all U.S. industries as a result of LIHTC investments.

NAHMA recognizes the tax credit program's record of success and will strongly oppose any attempts to eliminate LIHTC, whether specific to the program or as a result of overarching actions for comprehensive tax reform and elimination of tax expenditures for businesses. **NN**

HUD Proposes Streamlining Supportive Housing

A PROPOSED "STREAMLINING" RULE WILL HELP DRAW private capital and private developer expertise to create attractive and affordable supportive housing developments for the elderly and people with disabilities, according to HUD.

HUD's "Streamlining Requirements Governing the Use of Funding for Supportive Housing for the Elderly and Persons with Disabilities Programs" would remove restrictions on the portions of mixed finance developments not funded through capital advances. This would lift barriers in developing such projects and eliminate burdensome funding requirements.

HUD sees the proposed rule as a way to improve and update certain regulations that govern all Section 202 and

811 developments, while allowing more flexibility, extending the duration of the availability of capital advance funds and making a technical correction.

While another rule focusing on statutory changes is expected later in 2012, the current proposed rule advances HUD's regulatory effort to implement Section 202 and 811 program changes as a result of the Frank Melville Supportive Housing Investment Act of 2010 and the Section 202 Supportive Housing for the Elderly Act of 2010.

At press time NAHMA's Senior Housing and Regulatory Affairs committees were reviewing the proposed rule (March 28, 2012, Docket No. FR-5167-P-01) and NAHMA planned to submit comments on it by the May 25 deadline. **NN**

2012 NAHMA AFFORDABLE 100

How many housing units that receive at least one form of federal subsidy are currently rented or available for rent in the United States today? The annual NAHMA Affordable 100 list provides this important data!

THE NAHMA AFFORDABLE 100 comprises the largest affordable multifamily property management companies, ranked by affordable unit counts. The NAHMA Affordable 100 list contributes vital data to the ongoing national dialogue on the future of federal funding for affordable housing. In an effort to accurately determine the portfolio of affordable units receiving federal subsidy in the United States, NAHMA publishes this annual listing of affordable units containing at least one of the following federal subsidies:

- HUD Project-based Assistance
- Section 42 LIHTC
- HOME funds
- USDA Section 515
- Bonds

The National Affordable Housing Management Association (NAHMA) is the leading voice for affordable housing management, advocating on behalf of multifamily rental property managers and owners whose mission is to provide quality affordable housing.

NAHMA supports legislative and regulatory policy that promotes the development and preservation of decent and safe multifamily affordable housing. NAHMA serves as a vital resource for technical education and information, fosters strategic relations between government and industry, and recognizes those who exemplify the best in affordable housing.

RANK / MANAGEMENT COMPANY (2011 rank shown in parentheses)	HEADQUARTERS	TOTAL NUMBER OF UNITS	
		SUBSIDIZED ¹	RESIDENTIAL ²
1 WinnResidential* (3)	Boston, MA	46,231	90,529
2 Interstate Realty Management* (2)	Marlton, NJ	42,013	49,984
3 Riverstone Residential Group (1)	Dallas, TX	40,001	172,000
4 Concord Management, Ltd. (4)	Maitland, FL	30,240	32,348
5 American Management Services (dba Pinnacle) (6)	Seattle, WA	30,000	185,219
6 AIMCO Capital* (5)	Denver, CO	26,616	88,466
7 The John Stewart Company (8)	San Francisco, CA	24,154	30,566
8 Related Management Company, L.P. (7)	New York, NY	23,946	29,676
9 Edgewood Management* (11)	Germantown, MD	21,246	25,214
10 Orion Real Estate Services (13)	Houston, TX	20,423	27,538
11 FPI Multifamily (9)	Folsom, CA	20,301	57,600
12 National Church Residences* (12)	Columbus, OH	20,010	20,683
13 LEDIC Management Group, LLC	Memphis, TN	19,047	32,656
14 Capstone Real Estate Services, Inc. (10)	Austin, TX	17,001	31,044
15 KMG Prestige (19)	Mt. Pleasant, MI	16,680	18,560
16 Mercy Housing, Inc.* (15)	Denver, CO	16,047	16,471
17 Volunteers of America (16)	Alexandria, VA	15,704	16,111
18 PK Management, LLC*	Greenville, SC	14,909	15,154
19 Ambling Management Company* (17)	Atlanta, GA	14,299	20,134
20 Picerne Real Estate Group (22)	Phoenix, AZ	13,638	44,927
21 Forest City Residential Management, Inc. (41)	Cleveland, OH	13,591	31,835
22 ConAm Management Corporation (20)	San Diego, CA	13,582	45,394
23 Cornerstone Group* (23)	Hollywood, FL	13,372	13,500
24 Peabody Properties, Inc.* (24)	Braintree, MA	13,320	13,842
25 Royal American Management (21)	Panama City, FL	12,797	14,613
26 Retirement Housing Foundation (28)	Long Beach County, CA	12,560	18,089
27 Grenadier Realty Corp. (18)	Brooklyn, NY	12,130	18,899
28 Boyd Management (25)	Columbia, SC	12,111	12,687
29 Dominion Management Services (14)	Plymouth, MN	12,089	21,640
30 Maco Management Company, Inc. (27)	Clarkton, MO	11,441	11,564
31 Archstone-Smith (30)	Englewood, CO	11,000	80,000
32 Preservation of Affordable Housing (POAH)/Preservation Housing Management LLC (71)	Boston, MA	11,000	11,000
33 Summit Housing Partners* (31)	Montgomery, AL	10,716	14,275
34 Gene B. Glick Company, Inc.* (29)	Indianapolis, IN	10,704	18,717
35 Steadfast Management Company, Inc. (45)	Irvine, CA	10,665	10,826
36 Conifer Realty* (37)	Rochester, NY	10,597	11,379
37 Wallick—Hendy Companies (34)	Reynoldsburg, OH	10,500	12,000
38 SL Nusbaum Realty Co. (36)	Norfolk, VA	10,313	18,714
39 SPM, Inc.* (35)	Birmingham, AL	10,154	12,899
40 IMS Properties (58)	Fenton, MI	9,827	9,827
41 McCormack Baron Ragan Mgmt. Services (38)	St. Louis, MO	9,811	12,685
42 Lincoln Property Company (60)	Dallas, TX	9,801	94,968
43 LNR Property Group (39)	Miami, FL	9,700	11,200
44 Pedcor Management Corp. (32)	Carmel, IN	9,500	13,666
45 Professional Property Management, LLC (40)	Rockford, IL	9,411	9,765
46 Winterwood, Inc.	Lexington, KY	9,269	10,111
47 Partnership Property Management (44)	Greensboro, NC	9,238	9,297
48 USA Properties Fund, Inc. (48)	Roseville, CA	9,210	9,738
49 The Yarco Companies (43)	Kansas City, MO	9,056	11,055

RANK / MANAGEMENT COMPANY (2011 rank shown in parentheses)	HEADQUARTERS	TOTAL NUMBER OF UNITS	
		SUBSIDIZED ¹	RESIDENTIAL ²
50 EAH Housing (51)	San Rafael, CA	8,500	9,062
51 Community Management Corporation* (47)	Winston-Salem, NC	8,466	8,553
52 Equity Management II, LLC (49)	Laurel, MD	8,427	10,756
53 NDC Real Estate Management, Inc.	Pittsburgh, PA	8,316	10,800
54 The Hallmark Companies (33)	Atlanta, GA	7,779	7,779
55 Preservation Management Inc. (56)	South Portland, ME	7,570	7,891
56 Pacific West Management (50)	Irvine, CA	7,500	13,000
57 Sun Belt Management Company (55)	Albertville, AL	7,500	7,610
58 Lawler Wood Housing, LLC*	Knoxville, TN	7,303	8,228
59 The Community Builders* (61)	Boston, MA	7,119	8,131
60 Cascade Management, aka Kellenbeck PM (63)	Grants Pass, OR	7,096	7,169
61 Oakbrook Corporation (86)	Madison, WI	7,025	7,056
62 Pennrose Management Company (52)	Philadelphia, PA	6,921	8,400
63 WRH Realty Services, Inc.* (81)	Jacksonville, FL	6,779	16,287
64 RY Management (62)	New York, NY	6,751	13,200
65 Community Realty Management* (57)	Pleasantville, NJ	6,712	7,030
66 G & K Management Co., Inc. (64)	Culver City, CA	6,661	13,569
67 Fairfield Residential (59)	Grand Prairie, TX	6,653	48,296
68 Integral Property Management (66)	Atlanta, GA	6,527	7,700
69 GEM Management (68)	Charlotte, NC	6,500	8,000
70 H.J. Russell & Company* (54)	Atlanta, GA	6,492	6,748
71 Seldin Company (74)	Omaha, NE	6,368	9,394
72 American Apartment Management, Inc.* (77)	Knoxville, TN	6,156	6,156
73 Cohen Esrey Real Estate Services, Inc. (67)	Kansas City, MO	6,129	10,900
74 SHP Management Corp.* (72)	Cumberland Foreside, ME	6,080	7,000
75 Midwest Management/Unified Property Group (69)	Milford, MI	6,000	13,000
76 Lenzy Hayes (70)	Bloomington, IN	6,000	6,000
77 Drucker & Falk, LLC (98)	Newport News, VA	5,707	26,084
78 Kettler Management (42)	McLean, VA	5,637	18,005
79 Mid-Peninsula Housing Management (78)	Foster City, CA	5,594	6,003
80 Beacon Communities, LLC* (75)	Boston, MA	5,500	9,000
81 Village Green Companies (76)	Farmington Hills, MI	5,500	35,000
82 Alpha Property Management, Inc. (100)	Los Angeles, CA	5,329	5,329
83 Solari Enterprises, Inc.* (82)	Orange, CA	5,311	5,363
84 CSI Support & Development Services* (73)	Warren, MI	5,250	5,250
85 Shelter Properties LLC (84)	Baltimore, MD	5,219	5,461
86 Key Management (83)	Wichita, KS	5,208	7,068
87 Westminster Company* (95)	Greensboro, NC	5,117	5,117
88 Fourmidable Group (90)	Farmington Hills, MI	5,112	9,135
89 AWI Management Corporation	Auburn, CA	4,950	5,018
90 Vista Capital Management Group, Inc.*	Greenville, SC	4,893	4,945
91 Standard Enterprises (88)	Monroe, LA	4,854	5,063
92 Community Housing Partners* (91)	Christiansburg, VA	4,846	5,024
93 Tesco Properties, Inc.* (89)	Germantown, TN	4,824	5,904
94 SK Management Companies, LLC (93)	Encino, CA	4,582	5,623
95 Corcoran Jennison Management* (94)	Boston, MA	4,519	6,714
96 ALCO Management* (87)	Memphis, TN	4,476	6,292
97 U.S. Residential Group, LLC	Carrollton, TX	4,447	26,142
98 Landura Companies* (96)	Winston-Salem, NC	4,418	4,418
99 Ingerman Group (79)	Cherry Hill, NJ	4,300	6,400
100 Millennia Housing Management, LTD (65)	Valley View, OH	4,206	5,739

Companies in bold provided data for NAHMA's survey. All others are based on industry estimates.

* A NAHMA Communities of Quality® National Recognition Program Participant

¹ and ² All unit data represent only units directly managed (not owned) that were rented or available to rent on December 1, 2011. Down units, abated units, units under construction or rehabbing units not available for rent are not included.

¹ Total affordable units managed. Federal programs only, including HUD, LIHTC, USDA, HOME, and Bond programs. Data do not include state or local subsidy, public housing, tenant-based vouchers (Section 8 or RD tenant-protection vouchers), or Federal mortgage insurance or loan guarantee programs. If a unit has more than one subsidy, it is counted only once.

² Total residential units managed (including market or affordable).

NAHMA would like to extend its sincere thanks to the NAHMA Survey Task Force, without whose hard work and support this survey would not be possible. In particular, sincere appreciation goes to Task Force Chair John Yang of USRealty.com, Inc., and task force members David Layfield, ApartmentSmart.com; Amanda Roberts, ApartmentSmart.com; Liza Johnson, ApartmentSmart.com; Scott Nelson, RealPage; Evelyn Arias, RealPage; Gustavo Sapiurka, RealPage; Jed Graef, MRI Software; David Durik, Indatus; Bill Sullivan, IPM Software; Janel Ganim, IPM Software; Mark Livanec, Yardi; Dean Nicholaides, Bostonpost.

If you believe your company should be included in next year's survey, please contact Brenda.Moser@nahma.org.

NAHMA and NAA Again Co-locate Conferences

NAHMA will again hold its annual summer meeting in conjunction with the National Apartment Association's (NAA) Education Conference & Exposition on June 27-30, 2012 in historic Boston.

The 2012 NAA Education Conference & Exposition is the largest event in the multifamily housing industry and includes world-class educators and a star-studded lineup of speakers.

Through this partnership, both conferences will address the critical needs of affordable housing communities and the apartment industry as a whole. Discounts are available to attendees who register for both conferences. These discounts provide a cost neutral solution to your training and development needs. Headline speakers include veteran broadcaster and best-selling writer Tom Brokaw as the NAA's Thursday keynote speaker and star athletes Mia Hamm and Nomar Garciaparra as the Friday general session speakers.

At the NAHMA Public Policy Issues Forum, to be held as a full-day meeting on June 27, the keynote speaker at the Vanguard Awards luncheon will be Dr. Christopher Herbert, Research Director at Harvard University's Joint Center for Housing Studies.

In addition, Dr. Herbert and David Smith, Chairman, Recap Real Estate Advisors, will participate in a Town Hall discussion with attendees, focusing on public policy related to federal legislative and regulatory initiatives that impact all of the affordable housing programs. These include HUD programs (Project-based Section 8, Section 8 tenant vouchers, Section 202 senior housing and Section 811 special needs housing), the Low Income Housing Tax Credit program and Rural Housing Service programs (Sections 515, 538 and the revitalization program).

In addition to its full day of meetings on June 27, NAHMA will provide affordable housing-specific sessions as part of the NAA conference—for details, see below.

For meeting registration and hotel reservation details, visit <http://www.nahma.org/meetings/MeetingInfo.html>. NN

NAHMA SESSIONS DURING THE NAA CONFERENCE

THURSDAY, JUNE 28

9:00 A.M.–10:30 A.M.

NAHMA Presents: Top Tried-and-True Tools for Preserving Aging or Rescuing Troubled Affordable Housing

Expert industry practitioners will present their top “go-to” approaches for preserving aging affordable multifamily housing, or rescuing a troubled portfolio. Panelists will offer insight and tips on the best tools that work most often, and in what circumstances, from lining up Low Income Housing Tax Credits to cultivating national, state and local policy or political commitments to creative ways to tackle capital expense and stretch operating dollars. Presentations will include case studies that illustrate the practical application of the recommended approaches. Participants will learn the successful tools and techniques for preserving aging affordable housing and turning troubled properties into quality affordable rental housing.

SPEAKERS: Larry Curtis, President, WinnDevelopment; Chuck Durnin, Senior Vice President, Interstate Realty Management; Michelle Norris, Senior Vice President, Acquisitions and Development, National Church Residences; and Michael Simmons, President, Community Realty Management

THURSDAY, JUNE 28

10:45 A.M.–12:15 P.M.

NAHMA Presents: Parallels and Convergences in Multifamily Affordable Housing in the U.S. and Abroad

A recognized industry expert will explore the current state of multifamily affordable housing in the U.S. and around the world, with an emphasis on what policies and approaches (political, financial and social) are working where, and why, and the likelihood of



these being considered and/or adopted in other places. Given the current and likely trends in affordable housing here and abroad, the discussion will include a projection of what affordable housing might look like by mid-century.

SPEAKER: David A. Smith, Founder, Affordable Housing Institute, Chairman, Recap Real Estate Advisors

FRIDAY, JUNE 29

8:30 A.M. – 10:00 A.M.

NAHMA Presents: Top Tips for Capital Planning in Multifamily Affordable Housing

A key component for successful portfolio management is capital planning for acquisition due diligence, budgeting and ongoing asset management. In particular, capital planning in the affordable sector, where dollars are even more precious, is vital for owners and managers to ensure expenditures are made strategically. The process is simple, yet

can be confusing and overwhelming. For example, capital planning can be executed in-house or pursued through the use of third-party consultants, and the data formats can be myriad. How do you push the confusion aside, filter through the workload, and come to grips with a process and format to understand your asset?

SPEAKERS: Michael Ferguson, Director of Facilities and Capital Planning, Peabody Properties; Craig Torres, Senior Associate, On-Site Insight; Thomas E. Nutt-Powell, President, Capital Needs Unlimited

FRIDAY, JUNE 29

12:45 P.M. – 2:15 P.M.

NAHMA Presents: Unique Challenges in Managing Affordable Housing—from Eradicating Bed Bugs to Replenishing Replacement Reserves

While conventional and affordable multifamily housing can face many of the same operational and managerial challenges, addressing these challenges in affordable housing can be unique and complex given the federal regula-

tions under which most of the properties operate. For example, dealing with the problem of bed bugs is common to both conventional and affordable housing, but identifying solutions in affordable housing can be constrained by HUD guidance on permissible lease addenda, timeframes for dealing with tenants, and what can be required of tenants.

Similarly, increasing replacement reserves is much more difficult to accomplish in affordable multifamily housing than in conventional. The session will feature leading industry experts and practitioners who will focus on the most pressing managerial challenges facing multifamily affordable housing today. Participants will learn tools and techniques for successfully addressing the challenges in their own properties.

SPEAKERS: George Caruso, Executive Vice President, Edgewood Management Corp.; Steve Henderson, Chief Financial Officer, Wedge Management, Inc.; Gianna Solari, Vice President, Operations, Solari Enterprises, Inc.; Timothy Zaleski, President, McCormack Baron Ragan Management Services **NN**

Show Us How You Take Care of Our World—2012 Contest for the 2013 NAHMA Calendar

The Next Step is Yours: “Let’s Take Care of Our World” is the theme of this year’s AHMA Drug-Free Kid calendar contest. Entries must first be sent to a local AHMA, which has an earlier deadline. The deadline for AHMA entries to the national contest must be received by NAHMA no later than **Monday, June 11, 2012**.

The popular calendar contest that invites children, elderly/disabled and special needs residents to create artwork and compete for prizes drew more than 5,000 participants nationwide for the 2012 calendar. This year’s competition marks the contest’s 26th consecutive year.

“Getting people, and especially kids, to think about what they can do to preserve and protect the world they live in is an exciting opportunity for property managers, other staff and residents to stimulate discussion,” said Kris Cook, executive director of NAHMA. “We urge all of the AHMAs and their member companies to get their properties’ residents in on this creative and educational activity.”

The poster contest is open to:

- Children who live in a family community of a NAHMA and/or a local Affordable Housing Management Association (AHMA) member company;
- Elderly and/or special needs residents 55 years or older who live in a community of a NAHMA and/or a local AHMA member company.
- Special Needs Residents who live in a permanent supportive housing community or 811 community of a NAHMA and/or a local AHMA member company.

Most AHMAs offer prizes to local contest winners. For the national contest, prizes include:

- Grand-Prize Winner (children only): \$2,500 Educational Scholarship Check and Trip to Washington, D.C.
- National Winners (children): \$1,000 Educational Scholarship Check
- National Winners (elderly and special needs residents): \$1,000 Donation for their Community
- Honorable Mentions: \$100 Educational Scholarship Check

HOW THE CONTEST WORKS

For each grade category (for children) and up to three entries in the elderly/disabled and special needs categories, local AHMAs select three winning pieces of art—posters, photographs, web sites, computer art or other media.

The five grade categories for children are based on the grade level the contestants have completed by June 2012: Kindergarten-1st Grade; 2nd grade-3rd grade; 4th grade-6th grade; 7th grade-9th grade; 10th grade-12th grade.

While residents can discuss the theme and contest rules, entries must be created by the individual without assistance.

All AHMA winning submissions are forwarded to NAHMA, where a distinguished panel of judges will select the 13 winning entries that will appear inside the pages of the 2013 calendar. One special entry will be selected as the grand-prize winner, which will appear on the cover. (Only children are eligible to become the grand-prize winner.)

Scholarship Applications Hit Record High

MORE THAN 240 SCHOLARSHIP applications were posted on the NAHMA Educational Foundation application web page this spring. This is the most applications ever filed in one year in the six-year history of the program. Student residents from more than 25 states, the District of Columbia and the U.S. Virgin Islands, representing 11 different AHMAs, applied.

“The Foundation is very pleased to see the strong response to the program in 2012. We received first-time applications from Hawaii, Maine, Montana, Nebraska and Oregon, which helped move us toward reaching our goal of making this a truly nationwide program,” said NAHMA Educational Foundation Chair Wayne Fox. Through its first five years, the

Foundation has awarded more than \$180,000 to worthy student-residents living in AHMA-affiliated apartment communities across the country. The Foundation anticipates making awards this spring that will move the award total to more than \$225,000. More than 25 students have graduated from their respective programs

HONORABLE MENTIONS

Children, elderly and special needs residents in communities from across the nation who participate in the annual art contests held by regional and state AHMA are eligible to be selected as Regional AHMA art contest "Honorable Mentions" and will have their artwork featured nationally in a special section of the NAHMA 2013 "Drug-Free Kids" Calendar. These participants are in addition to those that will be selected as national winners.

HOW THE SUBMISSIONS ARE JUDGED

Entries are judged on the artist's ability to create a submission with the theme "The Next Step is Yours: Let's Take Care of Our World."

Specifically judges consider: Interpretation of the Theme; Originality; Quality and Appeal; and Overall Artistic Ability.

All art submitted to NAHMA becomes the property of NAHMA, and NAHMA has the right to use the art for publicity, publications and advertisements.

As always, NAHMA looks forward to judging the artwork and presenting the prizes to the winners! **NN**

while receiving NAHMA funding. This well-established resident benefit program continues to assist worthy students in their endeavors to further their education. A comprehensive list of the 2012 NAHMA Scholarship Recipients will be published in the next edition of NAHMA News. Be sure to watch for it! NN

Entries Accepted Now for National COQ Awards

IT'S THE 19TH ANNIVERSARY OF NAHMA'S SIGNATURE PROGRAM, the Communities of Quality® (COQ) Awards. These awards showcase the highest-quality multifamily affordable housing in the country. The submission deadline for entries is November 9, 2012. The awards acknowledge excellence in:

- **The physical and financial condition of affordable multifamily properties;**
- **The quality of life they offer to residents;**
- **The level of resident involvement in planning and problem solving; and**
- **The nature of collaborations with other organizations and agencies that contribute to the betterment of the lives of residents and the communities at large.**

The awards are co-sponsored by HD Supply Multifamily Solutions™, a leading supplier of maintenance and renovation products to the multi-housing industry.

"It is with great pride that NAHMA continues to promote and manage the Communities of Quality® Program. Year after year, winners of NAHMA's Communities of Quality® Awards demonstrate the commitment of property owners and managers nationwide to provide low- to moderate-income residents with the quality affordable housing that is worthy of resident and community pride," said NAHMA President Scott Reithel, NAHP-e.

Property owners can submit COQ applications for the following categories, each of which will have first- and second-place winners: Exemplary Family Development; Exemplary Development for the Elderly; Exemplary Development for Residents with Special Needs; Exemplary Development for Single-Room Occupancy; and Outstanding Turnaround of a Troubled Property.

Before applying for a COQ Award, a property must first have achieved National Recognition as a Community of Quality®.

"As a leading supplier to multifamily properties nationwide, HD Supply Multifamily Solutions™ is extremely proud to support an award that honors those properties making changes to enhance their communities and ultimately resident life," said Walter Morgan, national account manager, HD Supply Multifamily Solutions™. "Giving back to the community is a value HD Supply associates incorporate into their personal and work lives, and it is a pleasure to actively share this value with our customers in the multifamily industry." The 2012 COQ awards will be presented at NAHMA's annual winter meeting, March 24-26, 2013, in Washington, D.C.

For more information on the Communities of Quality® National Recognition and Awards program, visit NAHMA's website at www.nahma.org. **NN**

REGULATORY WRAP-UP

IN EARLY MAY, THE IRS PUBLISHED ITS FINAL RULE for Section 42 Qualified Contract Provisions. The final rule provides guidance concerning taxpayers' (i.e. owners') requests to housing credit agencies to obtain a qualified contract (as defined in section 42(h)(6)(F) of the Internal Revenue Code) for the acquisition of a low-income housing credit building. The regulations will affect owners requesting a qualified contract, potential buyers, and low-income housing credit agencies responsible for the administration of the low-income housing credit program. The final rule became effective May 3, 2012. A copy of the final rule may be found at www.gpo.gov/fdsys/pkg/FR-2012-05-03/pdf/2012-10638.pdf.

Multifamily Accelerated Processing

ON APRIL 12, HUD ISSUED A PROPOSED notice and a proposed rule for the Multifamily Accelerated Processing (MAP) program. MAP was introduced in 2000 as a pilot program to facilitate the accelerated processing of loan applications for FHA multifamily mortgage insurance, which generally involves the refinance, purchase, new construction or rehabilitation of multifamily properties.

In the *Federal Register*, HUD's Proposed Rule "Federal Housing Administration (FHA): Multifamily Accelerated Processing— Enhancing and Strengthening Multifamily Accelerated Processing" (Docket No. FR-5444-P-01), proposed codifying key provisions of MAP and changes to improve the integrity and competency of lenders selected to participate in the program into the regulation. This was required by the Helping Families Save Their Homes Act of 2009, which Congress passed and President

Obama signed into law a few years ago.

A copy of the proposed rule may be found at www.gpo.gov/fdsys/pkg/FR-2012-04-12/pdf/2012-8705.pdf.

In another *Federal Register* notice, HUD provided additional, detailed information to FHA-approved lenders and members of the public about HUD's processes for determining lender and underwriter eligibility and tier qualification for MAP participation. The notice also includes the quantity, specific characteristics and recency of transactions that a lender or underwriter must have undertaken in order to qualify for each tier of MAP approval.

A copy of the proposed notice may be found at www.gpo.gov/fdsys/pkg/FR-2012-04-12/pdf/2012-8679.pdf.

HUD is accepting public comments on both of these proposed documents. NAHMA will review them in conjunction with its Regulatory Affairs Committee.

HUD NEWS

ON MAY 4, HUD PUBLISHED NOTICE H 2012-08 "UPDATED REQUIREMENTS FOR PREPAYMENT AND REFINANCE OF SECTION 202 DIRECT LOANS." The notice provides guidance for the prepayment and refinancing of Section 202 Direct Loan projects. It also supersedes all outstanding policy regarding Section 202 Direct Loan prepayments, including Housing Notice 02-16 and Housing Notice 10-14. A copy of the Notice is at <http://portal.hud.gov/huddoc/12-08hsgn.pdf>.

ON MAY 2, HUD ANNOUNCED IT WILL BE RETRACTING NOTICE PIH 2012-19 "IMPLEMENTATION OF FUNDING FOR TENANT-PROTECTION VOUCHERS FOR CERTAIN AT-RISK HOUSEHOLDS IN LOW-VACANCY AREAS." The retraction was in response to a request from the Senate Appropriations Committee that HUD make changes to the program to provide vouchers for maturing mortgage/expiring use agreement properties. HUD plans to release a new notice in the near future. In the meantime, HUD has requested that any owners who have put together applications hold off on submitting those applications for the Notice PIH 2012-19 tenant-protection vouchers. For a copy of the notice, go to <http://portal.hud.gov/huddoc/pih2012-20.pdf>.

ON MAY 2, HUD RELEASED NOTICE H 2012-07/MORTGAGEE LETTER 2012-9 "ANNUAL BASE CITY HIGH COST PERCENTAGE AND HIGH COST AREA REVISIONS FOR 2012" and Mortgagee Letter 2012-8 "Policy Regarding Interest Rate Swap Termination Fees Associated with Debt to be Refinanced in Connection with Healthcare and Multifamily Mortgage Insurance Applications." In the first, HUD has reviewed the Cost Percentages (HCP) for the Underwriting Technical Direction for FHA Project Mortgage Insurance. Each Base City HCP has been recalculated based on Marshall & Swift construction data. In the second,

HUD sets forth its policy in defining the indebtedness eligible for refinancing in connection with healthcare (Sections 232 and 242) projects and in connection with multifamily projects to include, under certain circumstances, interest rate swap termination fees. Mortgagee Letter 2012-9 may be found at <http://portal.hud.gov/huddoc/12-09ml.pdf> and its Mortgagee Letter 2012-8 may be found at <http://portal.hud.gov/huddoc/12-08ml.pdf>.

EIV SYSTEM UPDATE 9.3 WAS SUCCESSFULLY RELEASED on Saturday April 28. The multifamily weekend summarization job was successful on April 29, and all reports were current as of this date. Any questions related to Multifamily Housing in EIV should be directed to the Multifamily helpdesk at 1-800-767-7588 or by email at mf_eiv@hud.gov.

ON APRIL 10, HUD PUBLISHED THE NOTICE "CHANGES IN CERTAIN MULTIFAMILY HOUSING AND HEALTH CARE FACILITY MORTGAGE INSURANCE PREMIUMS FOR FISCAL YEAR (FY) 2013" in the *Federal Register*. The notice announces changes of the mortgage insurance premiums (MIPs) for certain FHA Multifamily Housing, Health Care Facilities and Hospital Mortgage Insurance programs for commitments to be issued or reissued in FY 2013. The MIP for market-rate New Construction/Substantial Rehabilitation loans under Sections 207, 213, 220, 221(d)(4), 231, 232, and 242 is proposed to increase by 20 basis points and 223(a)(7) loans by 5 basis points, with a 15-basis point increase for all other market-rate multifamily housing, health care facility and hospital loans. The increases will not apply to Low Income Housing Tax Credit Loans, other affordable housing loans for HUD-assisted properties or loans insured under FHA's Risk Sharing programs. In addition to announcing MIPs for FY 2013, this Notice also announces that a positive credit subsidy obligation will not be required in FY 2013 for loans



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HUD NEWS *continued*

under any of the active mortgage insurance programs for multifamily housing or health care facilities. NAHMA signed onto comments submitted by a coalition of multifamily housing organizations which urged HUD not to implement the MIP increases at a time when demand for rental housing is increasing and preservation is critical. The comments are posted to NAHMA's HUD webpage at www.nahma.org under the Members entrance.

RECENTLY, LOCAL HUD HUBS HAVE BEEN SENDING OUT HUD FASS PERFORMANCE EVALUATION LETTERS

notifying owners of a HUD-assisted property's overall financial risk rating based on the property's annual audited financial statements. HUD's FASS Performance Evaluation system is used by HUD to help identify HUD-insured projects that are at risk for default or HUD-assisted projects at risk of not being able to maintain the real estate and provide essential services for the tenants. However, HUD did not provide property owners and management agents with information on the criteria used to determine a property's overall financial risk-rating in the notifications. After a request from NAHMA, HUD's REAC and Multifamily Office of Asset Management have provided copies of the FASS performance indicators for multifamily properties and synopsis of the performance assessment. A copy of the FASS performance indicators may be found at www.nahma.org/member/New%20HUD%20Docs/FASS%20Performance%20Indicators%2011-05-01.pdf. A copy of the synopsis for FASS assessments may be found at www.nahma.org/member/New%20HUD%20Docs/FASS%20Synopsis%20of%20Performance%20Assessment.pdf.

ON APRIL 13, HUD PUBLISHED ITS ANNUAL ADJUSTMENT FACTORS (AAF) FOR FY 2012 FOR SECTION 8 rental assistance contracts on their contract anniversaries in the Federal Register. The AAFs are based on a formula using residential rent and utility cost changes from the most recent annual Bureau of Labor Statistics Consumer Price Index (CPI) survey. These factors are applied at Housing Assistance Payment (HAP) contract anniver-

saries for those calendar/months commencing after the effective date of April 13, 2012. For FY 2011 and FY 2010, these AAFs were designated as "Contract Rent" AAFs, to differentiate them from "Renewal Funding" AAFs that were used exclusively for renewal funding of tenant-based rental assistance. Renewal Funding AAFs are being replaced by an inflation factor established by HUD, so there is no need to differentiate the AAF by use. A separate *Federal Register* notice will be published that will identify the inflation factors that will be used to adjust tenant-based rental assistance funding for FY 2012. A copy of the AAFs for FY 2012 may be found at www.huduser.org/portal/datasets/aaf/FY2012_tables.pdf. A copy of the *Federal Register* notice announcing the AAFs may be found at www.gpo.gov/fdsys/pkg/FR-2012-04-13/pdf/2012-8971.pdf.

HUD RECENTLY RELEASED A NEW VERSION OF HUD FORM 9834, WHICH IS USED TO CONDUCT MANAGEMENT

REVIEWS for multifamily housing projects. HUD has made significant changes to the form. A Microsoft Word version of the form can be found on HUD's website at <http://portal.hud.gov/huddoc/9834.doc>.

IN LATE MARCH, HUD POSTED A NOTICE REGARDING THE "SECTION 8 HOUSING CHOICE VOUCHERS: Revised Implementation of the HUD-VA Supportive Housing Program." This Notice establishes the policies and procedures for the administration of Tenant-based Section 8 Housing Choice Voucher (HCV) rental assistance under the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program administered by public housing agencies (PHAs) that partner with local Department of Veterans Affairs (VA) medical facilities. This notice provides new and clarifying guidance regarding certain types of verification documentation, addition of family members after the veteran is a participant in the HCV program, termination of assistance, portability moves within the same catchment area where both PHAs have received HUD-VASH vouchers, portability moves when case management is no longer required, reallocation of HUD-VASH vouchers, and Housing Quality Standards (HQS) initial inspections. A copy of the

notice may be found at www.gpo.gov/fdsys/pkg/FR-2012-03-23/pdf/2012-7081.pdf.

RECENTLY, USDA-RD HAS PUBLISHED A NUMBER OF NOTICES AND LETTERS REGARDING UPDATES TO RURAL MULTIFAMILY HOUSING PROGRAMS.

They include: Rural Development Administrative Notice No. 4623 "Procedure for Ordering Dun and Bradstreet Commercial Credit Reports for Single Family Housing and Multifamily Housing" (March 1, 2012): www.rurdev.usda.gov/SupportDocuments/an4623.pdf, which provides guidance on ordering commercial credit reports for single-family housing and multifamily housing programs, including guidance in ordering individual consumer credit reports on the owner/principal(s), and several unnumbered letters, found at www.rurdev.usda.gov/SupportDocuments/ulmarch12.pdf. The unnumbered letters concern the 2012 Area Loan Limits, the Section 515 Rural Rental Housing Designated Place List for FY 2012, and the FY 2012 Site Manager of the Year Recognition Program.

ON FEBRUARY 29, HUD LAUNCHED A PUBLIC DATABASE TO HELP THE RESEARCH COMMUNITY better understand the characteristics of households receiving assistance under the Department's main rental programs. It can be accessed at www.huduser.org/portal/pumd/index.html. Read more about HUD's new public data sample. The database includes household-level data for five percent of households assisted through the Housing Choice Voucher (HCV), Public Housing, Section 8 Project-based Rental, and the Section 202/811 Programs.

ON FEBRUARY 27, HUD RELEASED HOUSING NOTICE 2012-03, "GUIDANCE ON ELIGIBILITY FOR TENANT PROTECTION VOUCHERS (TPVs) Following Certain Housing Conversion Actions." This notice addresses frequently asked questions HUD receives on tenant protection vouchers. It also confirms that Rent Supplement as well as RAP tenants may receive TPVs at the time of expiration of the Rent Supp or RAP contract, and addresses TPVs that may be provided at the time of a Section 202 Direct Loan prepayment. NAHMA is reviewing this notice in consultation with its Regulatory Affairs Committee. NN

Multifamily Affordable Housing Insurance Program (MAHIP)



This program is accessible directly to affordable housing providers, or through their local, trusted agent or broker.

Risk profile

Affordable housing providers, including:

- For-profits and non-profits
- Assisted living facilities
- Property developers
- Social service agencies
- Management companies
- Public housing authorities
- Senior housing
- Market rate apartments
- Commercial occupancies

Coverages available

- Property
- General liability
- Auto liability and physical damage
- Workers' compensation and employers liability
- Umbrella liability
- Professional liability
- Directors and officers liability
- Employment practices liability
- Fiduciary liability
- Low income housing tax credit first party insurance
- Low income housing tax credit professional liability insurance
- Bed bug infestation coverage

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206-892-9200 | 206-892-9201 Fax

Megan Davidson, Program Director
MAHIP@wellsfargo.com

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NAHMA

A Strong and Steady Climb Up the Ladder

MARK MORGAN'S INTRODUCTION to the nuts-and-bolts of affordable housing management happened in 1984 when he got an internship at Interstate Realty Management between his junior and senior years at Gettysburg College in Gettysburg, Pa. He worked at a Section 8 property as a leasing agent and was offered a job after he graduated.

He wasn't exactly a stranger to the industry, though, since his father worked at Interstate, but he didn't know he would like the work so much himself. But he did. "Twenty-seven years later, here I am," he said.

LEARNING ON THE JOB

Morgan was hired to be part of a team of leasing specialists who went around the country helping with lease-ups of

people in the industry."

In 1999, Interstate purchased a large portfolio in Mississippi and Alabama, and Morgan was promoted to vice president and oversaw that acquisition. He and his family stayed in New Jersey, though, and he did a lot of traveling over the course of three years. During this time he continued a management commitment to the Haddon Township Housing Authority. "I managed that housing authority for almost 10 years," Morgan said, "and gained a lot of experience in the public housing realm."

This came in handy when, about five years into that, the Hope VI program was rolled out, and Michaels Development, Interstate's sister company, "started chasing Hope VI deals with



dispositions for the firm, as well as the creation of an REO [real estate owned] database. Morgan served as vice president for asset management for a couple years when the then-president of Interstate, Jim Henderson, retired. Morgan was asked to step into that position in

October 2008.

Morgan called it a "very challenging role, being responsible for 340 assets, 35,000 units and 1,800 employees. It was certainly a change for me. I was always a get-it-done kind of guy who liked to be in the weeds. I've had to learn to be more of a leader and delegator."

Morgan finds his job really interesting, with "every day something new. Lots of stress and also lots of feelings of accomplishment. This is a great organization, and I have fantastic people to work with, people who empower you to be an entrepreneur. I couldn't ask for more."

Morgan finds his job really interesting, with "every day something new. Lots of stress and also lots of feelings of accomplishment."

new projects. They also helped turn around troubled properties. He wound up as a senior site manager overseeing three properties in the Atlantic City area, responsible for about 600 units.

After a couple years an opportunity arose to become a district property manager based out of Toms River, New Jersey, where he oversaw a portfolio of 12-18 properties in New Jersey. He did this for nearly 13 years "and saw lots of portfolio changes in that time," he said, including the addition of a public housing authority in Haddon Township. "During this time I had the opportunity to establish relationships with many regulatory partners and

housing authority partners." Because he spoke the language, Morgan was pulled off the Mississippi and Alabama duty and instead worked with the Michaels development team on getting about 20 mixed financed deals closed and operational, in places as diverse as Tampa, New Orleans, Tulsa and Chicago.

TRANSITIONING

When the chief operating officer of Interstate's parent company, the Michaels Organization, felt the need to create an asset management division, he selected Morgan to get it established. In this role he was responsible for acquisitions and

GETTING ENGAGED WITH THE AHMA

Morgan first got involved with SAHMA while overseeing the properties down south, and he became its Mississippi state director. Currently he is working on the national level with NAHMA, serving as vice chair of its committee for federal affairs. He is also on the board of PennDel AHMA and serves as programs committee chair.

In addition to climbing the professional ladder, Morgan stays busy being "happily married to Libby and raising four wonderful children, ages 17 to nine."

"I started a little late," he said of his young children. Which, when you think of how hard he has worked, makes perfect sense. **NN**

JUNE

4-6

Puerto Rico Conference
San Juan, PR
www.sahma.org/puerto-rico/

5

LIHTC Determining Income
Worcester, MA
Julie Kelliher
(781) 380-4344

EIV

Smithfield, RI
Julie Kelliher
(781) 380-4344

6

MA Agency Breakfast Meeting
Quincy, MA
Julie Kelliher
(781) 380-4344

7

Understanding the REAC Inspection Process
Lansdale, PA
www.penndelahma.org/REAC-6-7-2012-info.html

7-8

Two Day OSHA
Newton, MA
Julie Kelliher
(781) 380-4344

8

FHC
Mt. Laurel, NJ
Jo Ann McKay
(856) 786-9590

12

HUD Hot Topics
Mars, PA
www.pahma.org/calendar_education.php

RD Certifications

La Grande, OR
www.oregonaffordablehousingmanagement.com

How To Succeed During Your MOR: Including EIV
Milwaukee, WI
www.mahma.com

12-13

Wyoming Spring Workshop
Jackson Hole, WY
www.rockyahma.org/calendar.php

13

FHC
Springfield, MA
Julie Kelliher
(781) 380-4344

REAC

Kirkwood, MO
www.hahma.org/?p=168

Advanced EIV

Denver, CO
www.rockyahma.org/calendar.php

Developing & Updating Your Operational Manual

Webinar
www.mahma.com

13-15

CPO
Philadelphia, PA
www.penndelahma.org/CPO-6-2012-info.html

14

RD Certifications for Managers of Senior/Disabled Projects
Eugene, OR
www.oregonaffordablehousingmanagement.com

15

REAC
Phoenix, AZ
www.ahma-psw.org/AHMA-PSW-Calendar.html

18

REAC Prep
Sacramento, CA
www.ahma-ncn.org/calendar/

19

RI Quarterly Meeting
RI
Julie Kelliher
(781) 380-4344

19-21

CPO
Birmingham, AL
www.sahma.org/cpo/

20

Determining Income
Worcester, MA
Julie Kelliher
(781) 380-4344

REAC

Raytown, MO
www.hahma.org/?p=270

21

Tax Credit Class
Houston, TX
www.ahmaet.org/calendars/view/33

CT Quarterly Meeting

CT
Julie Kelliher
(781) 380-4344

2012 HUD Audit Workshop on Multifamily Properties

Worthington, OH
www.mahma.com

26

HUD "Partners in Housing" Multifamily Preservation Training
Webcast
www.idahoahma.org/training-credentials/calendar

27

NAHMA Summer Meeting
Boston, MA
Brenda Moser
(703) 683-8630, ext 12

How to Do an AFHMP

Sacramento, CA
www.ahma-ncn.org/calendar/

28

Basic Tax Credit 101
Oakland, CA
www.ahma-ncn.org/calendar/

29

Mandatory Lead Safety Training
Oakland, CA
www.ahma-ncn.org/calendar/

JULY

11

Basic Occupancy
MA
Julie Kelliher
(781) 380-4344

11-13

CPO
Helena, MT
www.rockyahma.org/calendar.php

16

Fair Housing for Maintenance
(English & Spanish)
Oakland, CA
www.ahma-ncn.org/calendar/

16-20

RAM
Atlanta, GA
www.sahma.org/ram/

18

Asset Management Series—Budgeting Basics
Oakland, CA
www.ahma-ncn.org/calendar/

Kids Day Event

TBD
Julie Kelliher
(781) 380-4344

18-20

LAHMA 2012 Conference
Marksville, LA
www.lahma.org

20

The Fair Housing Jeopardy Game at the Beach
Lincoln City, OR
www.oregonaffordablehousingmanagement.com

21

EIV Made Easy
Houston, TX
www.ahmaet.org/calendars/view/2

For information on specific classes being offered, please contact the AHMA or organization directly. All dates and locations are subject to change. For the most up-to-date listings, visit the NAHMA website at www.nahma.org/content/mem_calendar.html.

25
NEAHMA/IREM Summer Meeting
TBD
Julie Kelliher
(781) 380-4344

AUGUST

7
LIHTC File Audit
RI
Julie Kelliher
(781) 380-4344

14
Pre-CPO
Florissant, MO
www.hahma.org/?p=172

Basic Tax Credit
Thousand Oaks, CA
Debbie Hawkins
(805) 557-1088

15-17
CPO
Long Beach, CA
Debbie Hawkins
(805) 557-1088

16
Understanding REAC
RI
Julie Kelliher
(781) 380-4344

Tax Credit Acquisition/ Rehab for Affordable Housing Providers
Keizer, OR
www.oregonaffordablehousingmanagement.com

Green Management
Boise, ID
www.idahoahma.org/training-credentials/calendar

20-21
FHC
Oakland, CA
www.ahma-ncn.org/calendar/

20-22
SAHMA Regional Conference & Trade Show
Mobile, AL
www.sahma.org/regional/

21
EIV: What Owners and Agents Should Know
Grandville, MI
www.mahma.com

21-22
SHCM 1½ Day Prep Course/Exam
Boston, MA
Julie Kelliher
(781) 380-4344

22
Fair Housing Focus Class
La Grande, OR
www.oregonaffordablehousingmanagement.com

Preparing for an MOR
Liberty, MO
www.hahma.org/?p=265

24
The Fair Housing Jeopardy Game
Redmond, OR
www.oregonaffordablehousingmanagement.com

AHMA-PSW Foundation Annual Golf Tournament
Industry, CA
Debbie Hawkins
(805) 557-1088

28
CPO
TBD
www.mahma.com

29
Financial Management/ Budget Prep
Boston, MA
Julie Kelliher
(781) 380-4344

29
COQ Submissions due to NEAHMA
N/A
Julie Kelliher
(781) 380-4344

Supervisor Series—Customer Service
San Francisco, CA
www.ahma-ncn.org/calendar/

Maximizing Rents Using Your RCS
Las Vegas, NV
Debbie Hawkins
(805) 557-1088

SEPTEMBER

10
Advanced Tax Credit
Columbia, SC
www.sahma.org/tax-credit/

11
Fair Housing for Maintenance
Riverside, CA
Debbie Hawkins
(805) 557-1088

How To Succeed During Your MOR: Including EIV
Chicago, IL
www.mahma.com

11-13
CPO
Columbia, SC
www.sahma.org/cpo/

12
Allowances & Deductions
Worcester, MA
Julie Kelliher
(781) 380-4344

13
Fair Housing Focus Class
Grants Pass, OR
www.oregonaffordablehousingmanagement.com

Fair Housing On-Site Practices ½ Day
Worcester, MA
Julie Kelliher
(781) 380-4344

14
Fair Housing Compliance
Columbia, SC
www.sahma.org/fair-housing/

17-18
AHMA-NCNH 31st Annual Conference
San Francisco, CA
Debbie Hawkins
(510) 452-2462

18
EIV Security Awareness
Los Angeles, CA
Debbie Hawkins
(805) 557-1088

HUD Basics
Long Beach, CA
Debbie Hawkins
(805) 557-1088

19
Advanced EIV
Louisville, KY
www.sahma.org/eiv/

Reasonable Accommodations/504
TBD
Julie Kelliher
(781) 380-4344

EIV Security Awareness
San Deigo, CA
Debbie Hawkins
(805) 557-1088

19-20
SHCM 1½ Day Prep Course/Exam
Long Beach, CA
Debbie Hawkins
(805) 557-1088

EDUCATION CALENDAR

continued

For information on specific classes being offered, please contact the AHMA or organization directly. All dates and locations are subject to change. For the most up-to-date listings, visit the NAHMA website at www.nahma.org/content/mem_calendar.html.

SEPTEMBER

19-20

PennDel AHMA Fall Conference & Expo
Dover, DE
Gerri Aman
(856) 786-2183

20

EIV Security Awareness
San Diego, CA
Debbie Hawkins
(805) 557-1088

21

EIV Security Awareness
San Diego, CA
Debbie Hawkins
(805) 557-1088

25

MOR Update Training
Detroit, MI
www.mahma.com

RI Quarterly Meeting

RI
Julie Kelliher
(781) 380-4344

26

FHC
Chicago, IL
www.mahma.com

MA Quarterly Meeting

MA
Julie Kelliher
(781) 380-4344

27

CT Quarterly Meeting
CT
Julie Kelliher
(781) 380-4344

28

NAHP of the Year Submissions due to NEAHMA
N/A
Julie Kelliher
(781) 380-4344

OCTOBER

10

Determining Income 101/201
Worcester, MA
Julie Kelliher
(781) 380-4344

10-11

SHCM 1½ Day Prep Course/Exam
Mt. Laurel, NJ
Gerri Aman
(856) 786-2183

11

Fair Housing Refresher
Oakland, CA
www.ahma-ncn.org/calendar/

16

Florida Housing Symposium
Dania Beach, FL
www.sahma.org/symposiums/

16-17

SHCM 1½ Day Prep Course/Exam
Milwaukee, WI
www.mahma.com

SHCM 1½ Day Prep Course/Exam

Springfield, MA
Julie Kelliher
(781) 380-4344

PAHMA Fall Conference

Seven Springs, PA
www.pahma.org/calendar_education.php

17

Fair Housing Workshop
Dania Beach, FL
www.sahma.org/fair-housing/

17

Supervisor Series—Management
San Francisco, CA
www.ahma-ncn.org/calendar/

22-23

CGPM
San Francisco, CA
www.ahma-ncn.org/calendar/

23

Fair Housing Compliance
Louisville, KY
www.sahma.org/fair-housing/

24-25

NEAHMA Annual Conference & Trade Show
TBD
Julie Kelliher
(781) 380-4344

24-26

CPO
Louisville, KY
www.sahma.org/cpo/

28-30

NAHMA Fall Meeting
Washington, DC
Brenda Moser
(703) 683-8630, ext 12

NOVEMBER

6

CPO
San Francisco, CA
www.ahma-ncn.org/calendar/

CGPM Training

Detroit, MI
www.mahma.com

7-8

SHCM 1½ Day Prep Course/Exam
Grandville, MI
www.mahma.com

13

Top Ten Mistakes Everyone Makes Concerning REAC
Grandville, MI
www.mahma.com

14

504 Coordinator
Atlanta, GA
www.sahma.org/504/

15

Electrical Awareness and Safety 101
MA
Julie Kelliher
(781) 380-4344

DECEMBER

4

How To Maneuver Secure Systems & EIV Update
Webinar
www.mahma.com

5

NEAHMA Holiday Meeting
TBD
Julie Kelliher
(781) 380-4344

Carrying On a Tradition of Service

CHUCK SCALISE IS A SECOND-generation affordable housing provider. His parents, Charles R. and Katherine, helped found the nonprofit Housing and Neighborhood Development Service (HANDS) in Erie, Pennsylvania, in the mid-1960s, after they joined an ecumenical church project that began advising people on how to buy homes after they were displaced by urban renewal.

"It was a real eye-opener to them that people were really suffering," Scalise said of his parents. Even with Erie's affordable but, "pretty tired housing stock," people couldn't qualify for mortgages, so the volunteer group ended up creating a nonprofit (now called Housing and Neighborhood Development Service, or "HANDS") to develop a sizable housing rehab program "by purchasing the worst properties in the neighborhood and rehabbing them," he said. They created about 100 units this way.

Scalise's mother, who had a bookkeeping background, became HANDS' first employee, and his father, who was a meat cutter at the local A&P, served on the organization's board for five or six years before being asked to take over the position of chief executive. In 1977, HANDS received a HUD Section 202 loan to purchase an orphanage that had been closed, which launched them into the multifamily senior market, and the new nonprofit grew.

"Their interpersonal skills were amazing," Scalise said of his parents. "My dad did what I learned to do, seek out people who are more experienced than you and then learn from them."

LIKE FATHER, LIKE SON

Scalise began working part-time in HANDS' maintenance department

while in high school and college. At first he attended Edinboro University full-time and worked part-time, then reversed that.

"My degree is in economics and business, which is helpful, but I'm somewhat self-taught," he said. "I had good organizational skills to start with, so I was able to do research and get the office more organized. Then I got more formal training in property management and began networking with other housing professionals. I began to mimic their best practices."

Scalise eventually became deputy director of HANDS before becoming the president and chief executive officer when first his mother, and then his father, retired.

PARTNERING LEADS TO GROWTH

HANDS utilizes HUD Sections 202 and 811 programs to build, renovate and/or manage housing primarily in northwestern Pennsylvania and West Virginia. They have also partnered with for-profit organizations to develop tax credit properties. When they partnered with Penrose Properties to convert a former convent and school into apartments, "we were launched into the big leagues." HANDS eventually developed more than 1,000 housing units and now manages 900 of them.

What keeps Scalise excited about his work is that "your actions and activities impact not only the family in the apartments and homes, but also the neighborhood and the community," he said. "I like when people look at our places and



say they didn't know low-income housing could look so nice."

ENERGIZING THE AHMA

Scalise is currently the board president of the Professional AHMA, or PAHMA, so called

"so we're not associated with any particular city," he said. PAHMA represents about 110 management companies. Since PAHMA is all-volunteer except for some clerical help, its board runs the organization.

"It's been a lot of fun for me," Scalise said. "All of the board members are pretty good friends as well as friendly competitors." They're considering hiring some professional staff, but for now, "it works out just fine."

Being so thrifty enables PAHMA to offer high-quality training at a very affordable cost, "so our attendance is very high," he said. "We'll get 200-to-300 people at any given workshop, and recently held a fair housing training where we had to turn people away because we reached our 250-person capacity."

PAHMA has recently gotten more involved in NAHMA, including urging its members to participate in NAHMA's poster contest. "It took a little push to get it going, but our response back has been very positive," he said.

Scalise plans to stay with HANDS until he retires, which is not any time soon. The organization has developed a succession plan "so it can carry on," Scalise said, "but I enjoy being part of the community, and I sit on several boards, including at Edinboro."

"I'm really proud of my city," he said. **NN**

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

thelastword

BY SCOTT REITHEL, NAHP-e

No More HUD Staff at Meetings?

IMAGINE NAHMA AND AHMA meetings that do not include our partners in federal agencies like HUD, IRS, Rural Development and other offices. Think of what would be lost: the mutual exchange that allows **us** to understand proposed and existing regulations and allows **them** to understand the real-world implications of regulations and policies.

The opportunity for agency staff to work directly with the affordable housing community is being threatened by a proposed curtailing of federal employee participation at conferences.

By way of background: On April 24, the Senate passed S 1789, the 21st Century Postal Service Act, which contained an amendment—sponsored by Sen. Tom Coburn (R-OK)—that would restrict spending on federal conferences and federal employee travel. That same legislative language was included by Rep. Darrell Issa (R-CA) in HR 2146, the Digital Accountability and Transparency Act (DATA), which was passed by the House on April 25.

While NAHMA supports Congress-

sional efforts to improve accountability and transparency in government spending, this legislative language has serious unintended consequences. If enacted, these provisions would limit an agency to sending a representative to only one meeting held by a particular association per year, effectively shutting down the communication between federal agency staff and private organizations that creates constructive, effective and transparent private-public partnerships.

The Coburn/Issa provisions would force federal officials to make decisions in a vacuum, without meaningful input from stakeholders.

We have seen time and time again how exchanges between NAHMA members and agency officials result in improved policies. For example, in August 2011, HUD released burdensome guidance on bed bug infestations. The guidance was interpreted by some local courts as superseding the landlord/tenant lease agreements. The guidance also made it more difficult to prevent and treat repeat infestations.

NAHMA's winter conference pro-

vided owners and agents the chance to discuss the real impact of this guidance on their properties' operations. This led to HUD's writing an improved, pragmatic and workable bedbug guidance, which was released in April 2012.

Enacting legislation that restricts knowledge-sharing between the government and private organizations is counterproductive to Congress' goals of reducing burdensome regulations, strengthening the economy and creating jobs.

It is difficult to imagine AHMA and NAHMA meetings without federal agency staff present. They are our partners, and getting to know one another results in less confusion and misinterpretation of regulations, more connection on their part to work at the ground level and more practical policy making.

Please contact your members of Congress and drive the point home that we need direct connection to agency staff, and that they need it as well. **NN**

Scott Reithel is Vice President of Property Management for Community Housing Partners and President of NAHMA.

