

NAHMA *analysis*

News and Analysis of Breaking Issues in Affordable Housing

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On Friday, September 13, HUD released a memo notifying all Multifamily HUB Directors, Program Center Directors, Owners, and Agents that the Agency will stop mailing inspection reports on October 15, 2002. This policy implements the final rule, *Process for Assessment of Insured and Assisted Properties*, which was effective January 8, 2001.

As of October 15, owners and their agents will have to retrieve their inspection reports directly from HUD's Secure Systems on the Internet. The memo explains how to access and retrieve inspection reports online. The text of HUD's memo follows.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-8000

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

September 13, 2002

MEMORANDUM FOR: All Multifamily Hub Directors
All Multifamily Program Center Directors
All Owners and Agents

FROM: Frederick Tombar III, Deputy Assistant Secretary for Multifamily
Housing Programs, HT

SUBJECT: HUD Stops Mailing Inspection Reports -- Transition to Electronic Retrieval
Effective October 15, 2002

The final rule effective January 8, 2001 titled, *Process for Assessment of Insured and*

Assisted Properties, discusses HUD's intent to provide the results of inspections ONLY in an electronic format. The rule also describes that the sole exception to electronic retrieval by the property owner and/or other persons designated the owner will be in specific cases of hardship (see January 8, 2000 rule). The following information describes, in summary fashion, how an owner and/or their authorized designees access and retrieve inspection reports.

Effective October 15, 2002, the Office of Housing will cease mailing inspection reports to owners. Owners and their representatives must retrieve their released inspection reports directly from HUD's Secure Systems¹. Access to Secure Systems is via the Internet and all Users must be authorized access by their respective owners and by HUD. To gain access, an owner's representative applies as either a Coordinator (limit two) or as a regular User (no limit to the number or persons who may register as Users). Application for access in either case is made via the Internet. Note--a Coordinator must be identified and activated in the Secure System first because they provide other Users with a system identification number (ID) for logon purposes and to assign User roles.

To apply for authorization, the candidate Coordinator or User must visit the Real Estate Assessment Center (REAC) website. The Internet address (URL) is <http://www.hud.gov/reac>. Once reaching this website look on the left of the page, click on the words **online systems**. This will take the candidate to a web page where s/he can start the registration process, and includes useful information regarding tips on registering and answers to Frequently Asked Questions (FAQs). To register, the candidate should find and select the **Online Registrations** button. When the next web page appears, select the link **Multi-Family Housing Entity**. The candidate will then see and be able to complete the electronic Multi-Family Coordinator and User Registration form.

To begin registration, the candidate first selects the role s/he is registering to become. To do this select one of the two options (Coordinator or User). The candidate then completes the electronic form, **filling out all sections**. During the process the Coordinator/User supplies their selected password. **Please remember your password**. It cannot be retrieved without being reset. Resetting your password can be done by calling the Technical Assistance Center (TAC) at 1-888-245-4860 or using the automated process via the REAC Online Systems web page. After carefully completing the registration form and checking it for accuracy, click on the button Send Application and then click on the confirm/submit button to submit to HUD for processing.

A Coordinator candidate should contact their Business Partner (property owner) in about a week to confirm a successful registration. HUD sends the Business Partner the new Coordinator's ID. The Business Partner provides the Coordinator their ID necessary to access HUD's Secure Systems. The Coordinator, once granted access by the Business Partner, assigns privileges to other Users for various subsystems. Coordinators have

¹ Any owner, who wished to retrieve inspections electronically, has been able to do so since October 2001.

privileges to perform higher-level administration functions, while maintaining User level rights as well.

A regular User candidate should contact their Coordinator to inform them that their registration is complete. The Coordinator can find and provide the User his User's ID and make access assignments of roles and actions the next day after the registration. After your Coordinator assigns the access privileges, the regular User can log in and begin work.

To log into HUD's Secure Systems, the Coordinator or User returns to the REAC website, URL <http://www.hud.gov/reac>. Once reaching this website look on the left of the page, click on the words **online systems** and then click **LOG IN**. Secure Systems requests the User to enter their User ID and their password. The system verifies every User's authority and, following acceptance, provides the User with the Secure Systems main menu. Depending on the individual User's authority they may see several or only a few options from which to choose. However, since this memorandum is about inspections the menu item to select is labeled Physical Inspections. A Coordinator will have access to several areas so that s/he can administer the owner's business in the Secure Systems of HUD. A User will see a button that says Schedule/View Inspections. (Only after the Coordinator has assigned this role to the User). Pressing that button will take the User further into the Secure System allowing s/he to view inspection reports after they have been released by the REAC.

Persons wishing to be authorized access, as either the Coordinator or as User, may request further assistance from the REAC TAC at the toll free phone number provided above. If, after contacting the TAC a party still believes that they have a documented hardship preventing them from retrieving inspections from the Internet, that party may apply for exemption, in writing, directly to the REAC. Written exemption requests **ONLY** may be mailed to the REAC, 1280 Maryland Avenue, SW, Washington, DC 20024, Attention TR/DBA Section.