

December 5, 2011

TO: All Multifamily Project Owners

FROM: Janet M. Golrick, Associate Deputy Assistant Secretary for Multifamily Housing Programs

SUBJECT: Impact of HUD's Fiscal Year 2012 Budget on Section 8 Project Based Rental Assistance

This is in follow-up to my November 22, 2011 memorandum regarding subject.

My November 22, 2011 memorandum indicated that funds currently held in project residual receipts accounts will be used to reduce Section 8 Project Based Rental Assistance Payments. This is to clarify that the forthcoming Housing Notice to implement this policy will be applicable to Section 8 contracts generally known as "New Regulation" and subject to the regulatory authority at 24 C.F.R. §§ 880.205(e), 881.205(e), and 883.306(e).

Thank you again for your understanding and cooperation in this challenging budget environment.