

Supporting Statement for Paperwork Reduction Act Submissions
Lender Qualifications for Multifamily Accelerated Processing (MAP)

OMB Control No.: 2502-0541

A. Justification

1. Circumstances that make the collection of information necessary.

The Department of Housing and Urban Development (HUD) has developed a loan processing procedure called Multifamily Accelerated Processing (MAP) under which it allows Federal Housing Administration (FHA) approved Lenders to prepare loan applications, process the collected data and submit loan applications for FHA multifamily mortgage insurance, subject to review by HUD staff. This procedure applies to loan programs processed under Section 220, Sections 221(d)(4), Section 223(f), Section 223(a)(7) Section 231 and Section 241(a) of the National Housing Act. The Code of Regulation that gives the Department the authority to request this collection is found at 24 CFR 202.5.

In addition to being an FHA-approved multifamily mortgagee, a Lender must meet additional qualifications if it wishes to participate as a MAP Lender. There is no requirement that a Lender participate in MAP because the traditional method of processing is still available, but most Lenders prefer to use MAP as it substantially shortens the underwriting and review processing time. HUD's mission is to ensure that only Lenders with multifamily underwriting experience be given the responsibility to process under MAP. This collection of information will make it necessary for the Department to determine whether the applicants have the necessary qualifications and experience to handle the additional duties and responsibilities as a MAP Lender. The submission of the information is required for all applicants who wish to be MAP approved.

Approved MAP Lenders also can be approved to underwrite and submit mortgage insurance applications under streamline procedures. The *Housing and Economic Recovery Act of 2008(HERA)* required FHA to streamline mortgage insurance applications for projects with equity from the Low Income Housing Tax Credit (LIHTC) program. HUD launched an accelerated approval process under the Section 223(f) program for the purchase or refinancing of multi-family rental properties assisted with LIHTC. The Section 223(f) program provides permanent financing on transactions that are low risk, to allow FHA to significantly streamline the review process and create efficiencies without increasing risk. The streamlining procedures will permit applications for properties that are recently constructed and occupied, for preservation and moderate rehabilitation of properties with Section 8 Rental Assistance or for older, stabilized tax credit properties through the syndication of new credits.

Reducing the time required to review and approve applications helps align FHA-insured financing with the LIHTC Program standards including the need to meet strict time deadlines. HUD can assist MAP Lenders to meet bond closing or other LIHTC performance deadlines that may result in forfeit of the credit allocation or bond reservation and may impair the borrower's ability to secure tax credits for future transactions. The Department has the potential to successfully cut the time it takes to approve these lower risk LIHTC projects and to dramatically increase the production of affordable rental projects nationwide.

The collection of information set forth in Chapter 2 of the Multifamily Accelerated Processing Guide, which covers the MAP Lender selection requirements; and the Quality Control Plan requirements and submission, is necessary to select Lenders

who are qualified to use these forms of national accelerated processing. Headquarters Office of Multifamily Production with assistance from the Office of Counterparty Oversight Branch in Asset Management will oversee the application scoring and selection process.

Lastly, several HUD Forms are referenced throughout the MAP Guide. This collection uses the following Forms that are covered under other information collections listed below for the FHA multifamily mortgage insurance application process. These Forms used in the application process includes gathering, retention, recordkeeping, and reporting. The Department continues to work on instruments for the MAP Guide under other collections. Listed below are the Forms and their OMB Approval numbers:

OMB Approval No. 2502-0001- HUD 92417

OMB Approval No. 2502-0005 - HUD 92001B

OMB Approval No. 2502-0009 - HUD 11

OMB Approval No. 2502-0010 - HUD 92457

OMB Approval No. 2502-0011 - HUD 92437; HUD 92441; HUD 92442; HUD 92442A; HUD 2880

OMB Approval No. 2502-0013 - HUD 935.2A

OMB Approval No. 2502-0016 - HUD 92023

OMB Approval No. 2502-0018 - HUD 92464

OMB Approval No. 2502-0028 - HUD 92448

OMB Approval No. 2502-0029 - HUD 2010; HUD-92013; HUD 92013 Supp; HUD 92264; HUD 92264T; HUD 92264A; HUD 92273; HUD 92274; HUD 92326; HUD 92329; HUD 92331; HUD 92415; HUD 92447; HUD 92452; HUD 92485; HUD 2880; HUD 92466; HUD 92466R-1; HUD 92466 R-2; HUD 92466 R-3.

OMB Approval No. 2502-0044 - FHA 2205A; HUD 2328; HUD 92330A

OMB Approval No. 2502-0057 - HUD 3433; HUD 3434; HUD 3435

OMB Approval No. 2502-0097 - HUD 92403

OMB Approval No. 2502-0112 - HUD 92330

OMB Approval No. 2502-0118 - HUD 2530

OMB Approval No. 2502-0305 - HUD 9832; HUD 9839B; HUD 9839C

OMB Approval No. 2060-0347 - Portfolio Manager (EPA) Related to energy usage and consumption characteristics

OMB Approval No. 2502-0468 - FHA 3259

OMB Approval No. 2502-0470 - HUD 2554; HUD 92476A

OMB Approval No. 2502-0505 - Capital Needs Assessment CNA e Tool

OMB Approval No. 2502-0541 - Chapter 2 of the Guide - MAP Lender Approval

Mortgagee Letter 2009-27 - Chapter 9 of the Guide - Environmental Requirements

OMB Approval No. 2502-0541 - HUD-4128

Firm Commitment Extension Request

Firm Commitments are issued for a term of 60 calendar days by the HUD Field staff. The MAP Lender, on behalf of the borrower, will request an extension of the Commitment to prepare for the Initial Endorsement submission. The Regional Center Director (or their designee in accordance with delegated authority) may grant one or more extensions for up to a total of 120 calendar days from the original expiration date. To determine the number of extensions that occurred for this collection period [Fiscal Years 2013, 2014 and 2015] our pipeline data resulted in 1,878 Commitments that were extended at least one time.

Lender's Underwriter Narrative Report

The MAP program delegates due diligence and underwriting responsibility to MAP approved Underwriters and lenders. The MAP approved Underwriter is expected to be completely familiar with the contents of the MAP Guide, have demonstrated experience and mastery of commercial lending practices and real estate finance, and have a working knowledge of HUD regulatory and statutory authority. HUD retains commitment authority and responsibility for final determination of acceptable risk to the insurance

fund, as well as certain technical and compliance responsibilities. This in no way relieves the MAP Lender from the responsibility of underwriting and programmatic compliance.

The basic function of a MAP approved Underwriter is to objectively evaluate factors in making a credit approval recommendation, for example: character, creditworthiness, competence, and capacity of the borrower and development team members; cash flow sufficient to service the proposed loan; collateral quality, including valuation, physical condition, environmental factors and location; compliance with HUD program and processing requirements. The Underwriter must identify all material risks and weaknesses, with appropriate mitigating factors including quantitative analysis and stress testing to identify the impact of “worst case” scenarios. If a transaction recommended by a lender is properly underwritten and processed, and is complete and technically compliant, HUD’s role is to review the application and the lender can assume a timely determination.

If the application fails to identify material underwriting risks and mitigating factors, or has material processing or compliance deficiencies, HUD has the option to reject the application, re-underwrite it and approve with conditions, or return the application to the lender for modifications to address deficiencies.

Capital Needs Assessment (CNA). Applications for projects to be insured under MAP loan programs require a CNA. A Capital Needs Assessment (CNA) is a due diligence report describing the physical inventory of a multifamily property and characterizing the condition and expected durability of that inventory for budgeting for future capital repairs and replacements. A CNA includes a financial plan or annual schedule of anticipated capital costs and corresponding funding needed to meet expected costs.

When prepared for an existing property a CNA requires an on-site physical inspection. It is the primary means of identifying immediate physical needs or deficiencies and specifying the nature, location and expected cost of the repairs, replacements and/or alterations required to address immediate needs of the property. CNAs of existing buildings must at a minimum meet the requirements of the industry common practice ASTM E 2018-08 for the preparation of needs assessments. When prepared for a property to be built, a CNA is only an inventory of the proposed construction (buildings, units, components, quantities) and an estimate of the expected durability of the proposed construction components with a corresponding plan to finance future capital needs as they are expected to occur.

These CNAs are prepared by, or under the supervision of the borrower’s project architect or the lender’s needs assessor or construction analyst. The MAP Lender’s construction analyst will submit the CNA in the loan application for FHA-insured mortgage to the local HUD Offices, and the HUD Branch Chief, Underwriter and Construction Analyst will review the CNA.

Detailed Work Write-up is generated in the Capital Needs Assessment CNA e Tool by the project architect, by a needs assessor retained by the project architect, or by the MAP Lender’s needs assessor/construction analyst. The detailed work write-up for projects undergoing substantial rehabilitation and for work that is less than gut rehabilitation will list immediate repairs. The lender prepares and submits to HUD a concise but definitive work plan for the preparation of detailed plans, specifications and cost estimates including whether existing conditions will be evaluated by means of the CNA under the supervision of the project architect or by the project architect’s detailed inspection of the property. The lender should describe or provide the project architect’s description of the proposed rehabilitation (from preliminary inspection of the property conducted by the project architect), including post-rehabilitation sketch plans. The preliminary work write-up may precede the project architect’s detailed inspection and the detailed work write-up and/or the CNA.

Market Studies. The purpose of the market study is to assure that there is enough sustainable demand for additional units without adversely impacting the existing supply, to maintain a balanced overall market. The focus of the market study is on the overall demand within a defined market area, and of the proposed project’s ability to capture and sustain a share of the total or incremental demand.

Standard Practice Forms

Drawings & Specifications & AIA-B108. The MAP Lender will provide drawings and specifications and a Form HUD Amendment to AIA Document B108, HUD-92408-M (current collection 2502-0589) for each new construction and substantial rehabilitation proposed for each eligible Section of the Act project where construction or rehabilitation may occur. The lender must hire a qualified construction analyst(s) with experience in multifamily construction to review the drawings and specifications prepared by the project architect and any related agreements for design and/or construction services. The analyst must be knowledgeable and experienced with local building standards and construction methods, relevant national or international building codes and standards; dimensional relation of living and building units with over-all dimensions of building units and buildings; drawings for all reconfigured spaces and/or altered site improvements category (Architectural, Land Improvements, Structural, Plumbing, HVAC, Electrical, etc., ALTA/ACSM Land Title Survey ALTA/ACSM Minimum Standard Detail Requirements, Proposed Plot plan/site plan. A complete master set of drawings and specifications and two duplicate sets are submitted with each application. The master set is for the Architect and one copy each for HUD and the HUD inspector.

Appraisers & Market Analyst. MAP Lenders are responsible for the selection and approval of appraisers and market analysts who are familiar with MAP guidelines. A lender will locate a Certified General Appraiser from the Appraisal Subcommittee of the Federal Financial Institutions Examination Council (FFIEC). The FFIEC maintains a national registry of Certified General Appraisers who are authorized, under Federal law, to perform appraisals in connection with federally related transactions. The appraiser or the market analyst must be independent of and may not be affiliated with the loan originator, broker, developer, borrower, MAP Lender or any individual or institution involved in any other financial role in the application. Lenders must ensure that each appraiser and market analyst selected are qualified to appraise or perform market analyses, respectively, for multifamily properties. The lenders will perform their due diligence by reviewing their education, quality, and frequency of multifamily appraisal experience, sample appraisals and market studies, professional affiliations, and state licenses or certifications. The appraiser is required to complete and sign various HUD forms related to the appraisal, i.e. Forms HUD-92264, -92273, -92274 (current collection 2502-0029) etc.

Appraisals that are received by MAP Lenders must be maintained according to the Department's record keeping rules. These rules do not mandate that an appraiser have possession of assignment work-files. The Department does not permit permanent personal possession of records relating to a review appraiser's work. The Department retains these records for far more than the time required under USPAP and will, with due process of law, cooperate with appraiser regulatory agencies, professional peer review committees, and assisting individuals in obtaining a professional designation. Appraiser work-files will be maintained in the local HUD office and records should be stored on the local or regional network drive. Paper records should be scanned as needed.

By statute, appraisals submitted in support of an application for HUD mortgage insurance must comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

Third Party Professionals. MAP Lenders are expected and authorized to hire third party contractors for appraisal, architecture and cost, market analysis, environmental reports and environmental site assessments, and specialized reports related to any of these technical disciplines. Engage all third-party consultants and analysts, provide oversight and effective supervision of work performed under their contracts to ensure their deliverables meet MAP Guide requirements and support the underwriting recommendation. Third party professionals include: appraisers, market analyst, architect, construction analyst, capital needs assessor, energy professional, and environmentalist.

Construction Analysts should be either a licensed or registered architect or physical engineer and must, at a minimum, have a degree (BS or BA) in architecture, civil or structural engineering or construction with five years of experience in design, construction, or development of multifamily buildings. A qualified construction analyst(s) with experience in multifamily construction needs to review the drawings and

specifications prepared by the project architect and any related agreements for design and/or construction services. The analyst must be knowledgeable and experienced with local building standards and construction methods, relevant national or international building codes and standards (e.g., International Existing Building Code, International Energy Conservation Code) and specific statutory or regulatory requirements for multifamily housing (e.g., Federal Fair Housing Accessibility Guidelines and the Uniform Federal Accessibility Standards, UFAS). In all cases the lender must assure that the work experience of the construction analyst is consistent with the scale, scope, materials, methods and technologies proposed for or existing at the property.

The Construction Analysts must: Visit the site, evaluate the design of proposed and/or existing buildings and construction materials, including methods or technologies employed in the buildings, review the borrower's required architectural services, evaluate architectural design, specification, construction contract, and cost and scheduling documents for proposed projects and assure internal consistency, accuracy, reasonableness, and conformance to HUD requirements, including specifically: the Minimum Property Standards; local codes and the HUD minimum energy conservation code, as well as accessibility requirements for persons with disabilities.

The Needs Assessor selected by the MAP Lender must have education, professional credentials and field experience appropriate to the assessment assignment considering the age, size, type of building systems, construction methods, and location of the property. In no event, may the qualifications of the needs assessor and any related consultants employed to prepare the capital needs assessment (CNA) be less than described in ASTM E 2118-08 Appendix XI.1. The needs assessor must have no identity-of-interest with the lender or the borrower or its principals, and may not have any personal or business relationship with the borrower, or its principals that would create a conflict of interest.

Energy Professionals. All applications for insured mortgages must provide verified utility consumption data for energy and water use, either for a prior 12-month year (no half or partial months) or for the projected 12-month year following completion (assuming underwritten occupancy). Such verified data must be entered in Portfolio Manager¹, a free tool provided by the Environmental Protection Agency (EPA). The required verification of utility consumption data, and preparation of an energy audit when necessary, must be by persons with not less than 3-years work experience evaluating utility consumption in multifamily buildings and with appropriate professional certifications or credentials including one or more of the following:

1. Registered architect;
 2. Licensed professional engineer;
 3. American Energy Engineers Association's Certified Energy Manager (CEM) or Certified Energy Auditor (CEA) designations;
 4. American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) High Performance Building Design Professional (HPBDP) designation;
 5. Building Performance Institute (BPI) Multifamily Building Analyst (MFBA) designation;
- Residential Energy Services Network (RESNET) Home Energy Rating System (HERS) Rater.

Other Technical Specialists are engaged by the borrower, the project architect or the MAP Lender to initiate the preparation or review of architectural plans and specifications. These specialists may include mechanical, structural, sanitary, geo-technical or civil engineers. When engaged for services a principal of the technical specialist firm must be a licensed or registered professional, must sign any resulting report or opinion and when applicable must affix his/her professional seal.

Certifications by Third Party Professionals - By statute, appraisals submitted in support of an application for HUD mortgage insurance must comply with the Uniform Standards of Professional Appraisal Practice (USPAP). USPAP requires a certification and specifies the content of the

¹ OMB 2060-0347 is managed by the Environmental Protection Agency which sponsors the 'Portfolio Manager'

certification. We require this additional certification because our appraisals must be prepared in compliance with fair housing and anti-discrimination laws.

Other Certifications – To reduce the number of exhibits submitted in loan closing packages and to reduce HUD staff review, HUD created the Consolidated Certification – Borrower, Form HUD-91070M (current collection 2502-0598) to capture in one document one signature of the borrower. Previously HUD required separate written statements and three documents requesting the borrower to execute its compliance with National Housing Act provisions, compliance with fair housing and civil rights acts, equal employment opportunity, consent to release credit information, participation in the low-income housing tax credit program, disclosure of any identity of interest, and disclosure of no lobbying. The form contains seven (7) certifications requiring one signature.

HUD Inspector

The HUD Inspector is an independent third party contracted out for the monitoring of the construction, renovation and repairs of multifamily housing projects, with loans that are FHA-insured projects involving the insurance of advances and insured upon completion. Inspections are the periodic observations made on rehabilitation and new construction sites of a multifamily housing project for the purpose of protecting HUD's interests. The type of physical inspection performed on multifamily housing project is to determine the scope and cost of construction, renovation and repairs needed to bring the multifamily housing project to a decent, safe, and sanitary condition in accordance with 24 CFR Part 5, Subpart G. In addition to inspect progress being made under the construction or repair work contract, to investigate complaints HUD has received concerning the property's physical condition; or any other inspection assigned to the inspector.

Inspection experience shall cover all activities and phases of a construction project, and shall demonstrate a record of performing acceptable construction and warranty inspections and related construction contract administration tasks as required by the construction or repair contract. The experience shall clearly demonstrate the inspector's knowledge of and familiarity with construction, construction inspection, and construction administration. The experience shall also demonstrate knowledge of national building codes and standards, current standard construction methods and procedures, Federal Fair Housing Accessibility Guidelines, and HUD regulations and handbook requirements to ensure compliance by the owner, builder and the supervisory architect.

HUD will select the inspector with at least six (6) years of experience based on competency regarding the scope of the project and to the type of construction involved. Hired inspectors may be a Design Representative, a Construction Representative, or an individual or group/firm.

The HUD Inspector will conduct a pre-construction conference at initial endorsement. To perform its inspection HUD will furnish to the inspector copies of construction documents: Construction Contract, HUD-92442M, Set No. 3 of the contract drawings and specifications on-site and off-site improvements (Agreements or contracts), Owner-Architect Agreement, AIA Document B-108, Contractor's and/or borrower's cost breakdown - Schedule of Values, Form HUD-2328 (current collection 2502-0044). The inspector's site observations are recorded on the HUD Representative's Trip Report, Form HUD-95379 (current collection 2502-0029). The frequency of site inspections is twice (2) per month.

2. By whom, and for what purpose is the information to be used?

This MAP Guide outlines the basic instructions, requirements, and processing procedures for a multifamily rental project loan application from the pre-application phase of processing through firm commitment issuance, construction, cost certification and final endorsement, where applicable, for the approved MAP Lender,

subject to a review by the Department. The Department places confidence in the lender's integrity and competence to prepare much of the documentation for a loan submission for mortgage insurance. The MAP Lender assumes the responsibility for underwriting the loan to include the preparation of narrative reports, gathering of data, collection of information, the review of reports and data prepared by licensed professionals (Appraisers, Architects, Cost Analysts, Underwriters, etc.), and the completion of applicable HUD Forms. The completed package is then submitted to the local HUD Multifamily Housing office for review by the Department for the possible issuance of a Firm Commitment.

3. Use of technical collection techniques to reduce burden.

All Forms (with OMB Clearance numbers) are available on the Department's website. In the past the Office of Housing Multifamily Production (OHMP) did not receive these forms electronically for submission of a complete application package for mortgage insurance. Some of the forms are in PDF format, PDF Fillable or can be scanned and sent by electronic mail. This collection of information does not involve the use of an automated system for the preparation and submission of complete application packages for mortgage insurance. The Department and OHMP are undergoing a transformation of our IT infrastructure, which will dictate the new development of an automated application system. The Office of OHMP has communicated that it is imperative that the automated system developed adequately address concerns for confidentiality (due to the nature of data reporting) and the need and ability to capture electronic-signatures. Until the IT transformation has time to materialize, OHMP has established a viable electronic loan application intake process that is sustainable by a disc or removeable drive, which use commonly available software and industry standard operating systems and formats.

As part of an effort begun in 2010 to align Federal rental housing policies and procedures, HUD and the U.S. Department of Agriculture (USDA) Rural Housing Service, developed an automated process for preparation, submission and review of CNAs. There are several software tools and web applications that form the elements of this automated process, and they are collectively called the CNA e Tool. Technical information, instructions on how to access and use the CNA e Tool, and related information will become available at HUD's CNA e Tool home page by the fourth quarter of Fiscal Year 2016.

HUD will require that all CNAs prepared for HUD-FHA insured multifamily properties be prepared, submitted and reviewed using the CNA e Tool.

4. Identify duplication.

Each loan application prepared by the MAP Lender is unique. Because development and construction cost varies and are specific to each project, general or modified information is not acceptable. The Department will allow Lender prepared and formatted exhibits as a substitute to obtain the required information for mortgage insurance, provided the document or HUD Form has the approved OMB approval collection number, date and form number ascribed on it.

5. Impact of small organizations.

The Department minimizes the burden on small businesses by requiring the collection of information only once at or before Initial Endorsement.

6. Consequences of collection not conducted or conducted less frequent.

The collection of information occurs only once for any loan application submitted for a mortgage insurance under a multifamily housing program eligible for MAP processing; and one application submission for the MAP approval of a Lender. If this collection was not conducted the Department could not comply with the provisions of the law and Federal Regulations; loans would not receive mortgage insurance.

7. Explain any special circumstances that require the collection to be conducted in a manner:

Requiring respondents to report information to the agency more than quarterly - There is no special circumstance for reporting more than quarterly. As a matter of procedure one loan application is submitted one time in a year, for a project, for mortgage insurance for the first time or a refinanced of mortgage insurance;

Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it – HUD and MAP Lenders have a mutual interest in ensuring consistent lender competence and compliance with the MAP Guide and other relevant guidance and handbooks. If in the process of performing this work, the lender places HUD at un-due risk, HUD will issue a Warning Letter or sanction the lender. The MAP Lender may, within 10 business days of receiving a sanction letter, request in writing, an appeal conference before the appeals official;

Requiring respondents to submit more than an original and two copies of any document - There is no special circumstance. A complete MAP application submitted for mortgage insurance includes one original, one additional hard copy and one electronic copy. One hard copy and an electronic version is submitted for Lender's application to become an approved MAP lender;

Requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years - There is no special circumstance, the Department does not provide procedures for respondents to retain records;

In connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study – There is no special circumstance, a statistical survey does not exist in this collection;

Requiring the use of a statistical data classification that has not been reviewed and approved by OMB - There is no special circumstance, a statistical survey does not exist in this collection;

That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use - There is no special circumstance that includes a pledge of confidentiality in this collection; or

Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law - There is no special circumstance that require respondents to submit proprietary trade secret, or other confidential information in this collection

8. Federal Register /

In accordance with 5CFR 1320.8(d), this information collection soliciting public comments was announced in the Federal Register on **January 31, 2017**, Volume **82**, No. **8838**, Pages **70436**. (0) Comment received.

9. Payment of gifts.

No gifts or payments, other than remuneration to contractors, are provided to respondents.

10. Confidentiality. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The Privacy Act of 1974 provides an assurance of confidentiality to the respondents. This is protected under The Privacy Act of Freedom of Information ACT (FOIA) of 1974, 5 U.S.C. § 552a.

3. Sensitive questions. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No questions of a sensitive nature apply in this collection.

12. Estimates of the hour burden and costs for collection of information:

Information Collection	*Number of Respondents	**Frequency of Response	Total Annual Responses	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Total Annual Cost
Loan Application Submitted¹							
Firm Commitment Extension Request ²	95.00	2.00	190.00	1.00	190.00	\$35.06	\$6,661.40
Lenders Narrative Report (includes non-form Certifications) ¹	95.00	1.00	95.00	10.00	950.00	\$48.45	\$46,027.50
Sub Total	190.00	3.00	285.00	11.00	1,140.00		\$52,688.90
Items Submitted in Loan Applications for NC/SR³							
Capital Needs Assessment	95.00	1.00	95.00	54.00	5,130.00	\$64.41	\$330,423.30
Detailed Work Write-Up	95.00	1.00	95.00	100.00	9,500.00	\$75.77	\$719,815.00
Market Study	95.00	1.00	95.00	51.00	4,845.00	\$67.99	\$329,411.55
Sub Total	285.00	3.00	285.00	205.00	19,475.00		\$1,379,649.85
Standard Practice Forms Submitted in Loan Applications for NC/SR^{3,4}							

Information Collection	*Number of Respondents	**Frequency of Response	Total Annual Responses	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Total Annual Cost
Drawings, Specifications, & Amendment AIA-B108	95.00	1.00	95.00	100.00	9,500.00	\$120.00	\$1,140,000.00
Appraisal	95.00	1.00	95.00	120.00	11,400.00	\$50.71	\$578,094.00
Third Party Professionals ^{5,6}	95.00	1.00	95.00	85.00	8,075.00	\$75.77	\$611,842.75
Certifications	95.00	1.00	95.00	.50	47.50	\$35.06	\$1,665.35
HUD Inspectors	95.00	2.00	190.00	8.00	1,520.00	\$54.51	\$82,855.20
Sub Total	475.00	6.00	570.00	313.50	30,542.50		\$2,414,457.30
TOTAL	950.00	12.00	1,140.00	529.50	51,157.50		\$3,846,796.05
Applications Submitted for Refinance or Purchase¹	95.00	1.00	95.00	10.00	950.00	\$35.06	\$33,307.00
Sub Total	95.00	1.00	95.00	10.00	950.00	\$35.06	\$33,307.00
Collection Total	1,045.00		1,235.00		52,107.50		\$3,880,103.05

* The total number of respondents (95) represents the number of MAP approved Lenders that are authorized to submit loan applications for FHA insurance for multifamily projects. The former number of respondents was 90. HUD has approved 15 additional FHA approved lenders making them eligible to submit MAP loan applications.

1) The total number of loan applications submitted (1,016) in FY 2016 that resulted in an executed Firm Commitment is 828 projects; this is a decrease of 217 loans down from 1,045. The total number of Commitments is broken out as 207 new construction/substantial rehabilitation (NC/SR) and 621 refinance/acquisition applications. This is a decrease on NC/SR applications due to owners taking advantage of reduced interests, guidance streamline of the refinance and acquisition programs (Sections 223(f) and 223(a)(7)), and implementation of the HERA initiative: Low Income Housing Tax Credit accelerated processing procedures.

2) DAP data research for executed Firm Commitments with approved extensions in FY 2016, is 98 projects. To determine the frequency of responses for 98 projects, we took an average of the total number of project DAP data (1865) and divided that number by 828 (total projects with executed Firm Commitment) results in 2.2 extensions. The average number frequency of responses is 2.

3) Items submitted in new construction, substantial rehabilitation applications only: 207 loans, which include five (5) Section 241(a) loans.

4) The number of drawings, specifications and Amendment AIA-B108 exhibits submitted for NC/SR decreased by 489 loans from 696 to 207. This is due to the increased number of property owners refinancing or acquiring properties under the Section 223(f) or 223(a)(7) Programs.

5) Third party professionals' burden hours, 85, represent an aggregate of the five (5) burden hours for each exhibit listed under the applications for NC/SR and standard practice forms.

6) The hourly cost per response for third party professionals is estimated as an aggregate of the hourly cost for the five (5) exhibits listed under the applications for NC/SR and standard practice forms [$\$376 \times 5 = \75].

13.Total annual cost burden to respondents.

There are no additional costs to respondents.

14. Cost to the Federal Government:

Information Collection	Total Annual Responses	Hour Per Response	Total Annual Burden Hours	Hourly Cost	Total Annual Cost
Application Submitted¹					
Firm Commitment					

Information Collection	Total Annual Responses	Hour Per Response	Total Annual Burden Hours	Hourly Cost	Total Annual Cost
Extension Request	95.00	2.00	190.00	\$43.29	\$8,225.10
Lenders Narrative Report	95.00	10.00	950.00	\$43.29	\$41,125.50
Sub Total	190.00	12.00	1,140.00		\$49,350.60
Exhibits Submitted in Applications for NC/SR					
Capital Needs Assessment	95.00	54.00	5,130.00	\$43.29	\$222,077.70
Detailed Work Write-Up	95.00	100.00	9,500.00	\$43.29	\$411,255.00
Market Study	95.00	51.00	4,845.00	\$43.29	\$209,740.05
Sub Total	285.00	205.00	19,475.00		\$843,072.75
Standard Practice Forms NC/SR					
Drawings, Specifications, & Amendment AIA-B180	95.00	56.00	5,320.00	\$43.29	\$230,302.80
Appraisal	95.00	56.00	5,320.00	\$43.29	\$230,302.80
Third Party Professionals ⁷	95.00	0	0	\$43.29	0
Certifications	95.00	.50	47.50	\$43.29	\$2,056.28
HUD Inspectors	95.00	5.00	475.00	\$43.29	\$20,562.75
Sub Total	475.00	117.50	11,162.50		\$483,224.63
TOTAL	950.00	334.50	31,777.50		\$1,375,647.98
Items Submitted in Application for Refinance or Purchase	95.00	8.00	760.00	\$43.29	\$32,900.40
Sub Total	95.00	8.00	760.00	\$43.29	\$32,900.40
TOTAL	1,045.00	342.50	32,537.50		\$1,408,548.38

7) MAP Lenders and property owner will hire third party professionals. HUD staff will not be reviewing applicants.

Hourly cost is based on a GS-12/5 Federal salary for the current year. The burden hours are substantially reduced as HUD only performs a review of the actual MAP application package and does not gather the actual data.

The following industry partners assisted the Department with providing estimated number of hours to perform to completion a loan application, Standard Practice Forms, and the hourly salary of the individual completing documents:

FHA Chief Underwriter Forum

Walker Dunlap
500 E Pratt St # 1000
Baltimore, MD 21202
Ken Buchanan - (410) 500-4302
Kbuchanan@walkerdunlop.com

Berkadia
12444 Powerscourt Drive, Suite 400
St. Louis, MO 63131
Rick Sherman - (314) 984-5542
rick.sherman@berkadia.com

Gershman Mortgage
7 North Bemiston
St. Louis, MO 63105

Greystone Funding Corporation
419 Belle Air Lane
Warrenton, VA 20186

Bruce Sandweiss - 314-889-0675
bsandweiss@gershman.com

Barry Wolfson – (540) 428-7209
BWolfson@greystonefund.com

Trade Association
Mortgage Bankers Association
Eileen Grey - (202) 557-2747
egrey@mba.org

Multifamily Lenders Council
Mike Petrie (317) 569-7420
mpetrie@prmic.com

Dominion Due Diligence
4121 Cox Rd #200
Glen Allen, VA 23060
Rob Hazelton - (804) 358-2020 or

Chip Moore – (205) 250-9012
chip@hcmd4.com

15. This is a revision of a currently approved collection for **the** approval of **the** MAP Lender requirements. There are no changes to the way the program is administered. However, this collection reports a reduction in the burden hours from the previous collection. This collection requests 52,107.50 burden hours, the previous collection burden hours were 419,775, which is a difference of (367,667.50). Department implemented the follow factors to improve efficiency in the lender approval and loan underwriting approval process to reduce the burden hours in this collection by: risk mitigation in underwriting requirements, standardization of processing procedures and forms, and the elimination of duplication in procedures, and forms.

16. Collection of information whose results will be published.

Collection of this information will not be published. Each form will be maintained with the HUD Program Office in individual case file.

17. Display of expiration date.

HUD is not seeking approval to avoid displaying the OMB expiration date.

18. Exceptions to Certification Statement.

There are no exceptions to the “Certification Statement” identified in item 19 of Form OMB 83-1.

B. Collection of information employing statistical methods.

There are no plans to use statistical methods for collection of this information.