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In This *Issue*

Mr. HUD	1, 5
Social Sarah	1
Robert W. Reavis, Jr., Atlanta Hub Director Retires	2
Robert C. Ryan, Acting Assistant Secretary Housing/Federal Housing Commissioner of the Federal Housing Administration	2
Conference Award Winners	3
Housing Management Conference 2011	4
Charity	4
New Leases, New Forms	5
Service Coordinator Notes	6
HUD MULTIFAMILY RISK MITIGATION Mortgagee Letter 2010-21	7
2011 Income Limits	8
HMC 2011 Pics—Ready to View	9
Energy Saving Updates	10

Mr. HUD

Summer is Mr. HUD's favorite time of year, with so many pools, so many beaches, and so many golf courses to visit. Add to that an exciting NASCAR Sprint Cup racing event in Kentucky with Mr. HUD's 100,000 closest friends; he barely had time to respond to Ms. Editor's repeated pleas for an article.

Relaxing and recuperating after a highly successful May conference Mr. HUD wants to squelch the rumor that it WAS NOT him in the white rabbit costume, but he was there in a fine-looking top hat. Mr. HUD particularly enjoyed learning all there is to be learned about bed-bugs.....not that he has any, just that he needed to know about them. Mr. HUD wants to congratulate the staffs of KHC, SAHMA, HUD and industry folks for the hard work that resulted in an informative and fun conference. Larry Sisson did a fabulous job as the Best Conference Chairman Ever. Mr. HUD even thinks Mr. Sisson should become the Permanent Conference Chairman.

Continued On Page 5

Social Sarah

Hello again everyone! I'm so glad we get to touch bases! It seems like it has been forever. It was so great getting to see some of my friends at the 2011 Housing Management Conference. There was just so much going on I didn't get to catch up with everyone. Wow, what a great time that was! I hope everyone enjoyed the theme, classes, and evening activities as much as I did! It's really hard to say what my favorite part was but Greg Bennick sure was a hoot! I'm already looking forward to next year!

So, it's that time of year again when the birds are chirping and flowers are in full bloom. I just love it! Spring time certainly flew by and summer snuck up on us though. It's already so hot outside! I cant wait to visit my favorite water park, Splashin' Safari, at Holiday World! Remember as you grab your flip flops and bathing suit to also grab your sunscreen. Did you know that everyone should use a shot glass size amount of SPF 30 or higher that protects against both UVA and UVB rays before sun exposure? I hope everyone has a fun and safe summer. Ta ta for now! **Love ya,**

Social Sarah

Robert W. Reavis, Jr., Atlanta HUB Director Retires

Bob's long and illustrious career began as an Urban Intern in June 1969 with the Department of Housing and Urban Development. He worked for the Office of Administration as a staff member and as a manager in the Atlanta Regional Office for 16 years. Bob joined the Office of Housing as the Director of the Housing Development Division in the Atlanta Regional Office in 1990 and became the Atlanta Multifamily HUB Director in 1998 where he worked with the Georgia, Puerto Rico, Nashville, Knoxville and Kentucky offices.

Because of his exemplary skills as a manager and as a proven leader, Bob served as the acting Deputy Assistant Secretary of the Office of Multifamily Housing Programs in Headquarters from January 1999 to March 2000. Despite the fact that he knew he was retiring, Bob agreed to serve as the acting director of the Jacksonville Hub and has been in that position since January 2011. Bob is also well known and respected by our industry partners.

The Office of Multifamily Housing is very proud and honored to have had Bob as part of its team for the last twenty years of his career. He is a strong proponent of multifamily housing and has had a lasting impact on the development and management of housing in Kentucky. The Louisville Multifamily Program Center wishes Bob well in his retirement and congratulates him on his exceptional career.

Robert C. Ryan, Acting Assistant Secretary Housing/ Federal Housing Commissioner of the Federal Housing Administration

Bob Ryan joined the U.S. Department of Housing and Urban Development October 26, 2009 as the first Chief Risk Officer in the history of the Federal Housing Administration (FHA).

In that capacity, Mr. Ryan was responsible for establishing a new Office of Risk Management, which oversees FHA's credit risk management functions, encompassing all of its insurance product lines, including single family, multifamily and healthcare. That office has expanded FHA's capacity to assess financial and operational risk, perform more sophisticated data analysis, and respond quickly to changes in the market. Mr. Ryan was named Deputy Assistant Secretary for Risk Management and Regulatory Affairs September 12, 2010.

Mr. Ryan has more than 26 years of experience in all aspects of the mortgage market, with extensive experience with profit and loss accountability and a deep understanding of the mortgage origination and capital markets processes. Mr. Ryan came to HUD from Freddie Mac, where he held several senior positions in capital markets, single family pricing and credit, and the Office of the President.

Mr. Ryan's Education includes a Bachelor of Science from George Mason University and the Stanford Executive Program of the Stanford Business School. He resides in Vienna, VA.

Conference Awards

SAHMA AWARDS	
Shelbey Terrell	Poster Art Winner Kindergarten—1st grade
Shon Higgs	Poster Art Winner 2nd—3rd grade
Jessie Hodge	Poster Art Winner 4th—6th grade
Luisa Ruiz	Poster Art Winner 10th—12th grade
Glenda Owens	Poster Art Winner Senior/Disabled category
Cody Jones	Grand Prize Poster Art Winner Kentucky Overall
Communities of Quality (COQ) Award	TESCO Properties, Inc.—Douglas Park Apartments

KHC AWARDS	
Best Curb Appeal	Andrea Long—Windsor Place Apartments
110%	Debra Hatfield—Jackson Manor Apartments
Most Improved Property	Christine Blevins—Cross Creek Apartments
Best Newsletter	Leslie McClellan—Central State Managers
Outstanding Management Company	Gene B. Glick Company
Outstanding Property Supervisor	Sherry Blevins—Diversified Management
Manager of the Year—Family Property	Mike Brock—Holly Point Apartments
Outstanding Family Property	Tree Top Apartments
Outstanding Elderly Property	Chapel House and Friendship House—Corbin
Maintenance Person of the Year—Family Property	Denver Wilson—McCreary Apartments
Manager of the Year—Elderly Property	Sarah Goodbub—Fairington Apartments of Louisville
Maintenance Person of the Year—Elderly Property	Bowling Green Towers Maintenance Team—Bowling Green Towers

HUD AWARDS	
Production Award	M. A. Allgeier
The Greening of Kentucky Award	St. Denis Senior Apartments
100% REAC Inspection Score	Day Spring Woods
100% REAC Inspection Score	McKee Manor Apartments
Double 100% REAC Inspection Score	Steward Manor
Double 100% REAC Inspection Score	Hallmark Group Home
Double 100% REAC Inspection Score	Central Christian Church Apartments
Best PRAC 202	Sayre Christian Village II
Best PRAC 811	Day Spring Woods
Service Coordinator of the Year	Nell Blackford—J.O. Blanton House
Best New Project Award	Skeeze Ward Manor
Resident of the Year	Mildred McDonald—Amber Village
Kentucky Affordable Hall of Fame	Cedar Lake Residences, Inc.

Adventures in WONDERLAND

Housing Management Conference 2011

The 2011 Housing Management Conference was a great success! Over 700 attendees joined us for an Adventure in Wonderland. A total of 48 sessions were held in two days! On Monday, there was an opportunity to attend a one-day EIV training. Rumor is that everyone came back with their heads from an evening of fun at the Horseshoe Casino. Keynote speaker, Toni Blake gave us inspiration on Tuesday, and the closing speaker/comedian, Greg Bennick gave us determination on Thursday.

Next year's conference will be May 15-17, 2012. We hope to see you there!

Charity

The 2011 charity was the Juvenile Diabetes Research Foundation International (JDRF). They are the worldwide leader in funding research to cure type 1 diabetes, an autoimmune disease that strikes children and adults suddenly and lasts a lifetime. JDRF's mission is to find a cure for diabetes and its complications through the support of research. JDRF is also committed to developing new and better treatments that improve the lives of people with type 1 diabetes in the near term and keep them healthy while we advance toward a cure. Diabetes is a chronic, debilitating disease affecting every organ system. There are two major types of diabetes: type 1 and type 2. Type 1 diabetes is an autoimmune disease in which the body's immune system attacks and destroys the insulin-producing cells of the pancreas. While its causes are not yet entirely understood, scientists believe that both genetic factors and environmental triggers are involved. Type 2 diabetes is a metabolic disorder in which a person's body still produces insulin but is unable to use it effectively.

We raised a total of **$7,329** for JDRF!

HOME of the INNOCENTS

In addition to the fund-raising events for Juvenile Diabetes, the 2011 charity, a service project for Louisville's Home of the Innocents was conducted in conjunction with the conference. Participants donated items from the Home's Wish List to help the Home of the Innocents provide Kentuckians with the assistance they need. The goal was to collect 150 boxes; the goal was reached **twice**!

Katherine Calloway (HUD), Michel Johnson (Alco Mgt. & SAHMA), Meredith Gault (JDRF), Jane Charida (HUD)

Carolyn Fox (Franklin Asset Management), Meredith Gault (JDRF)

New Leases

New Forms

HUD recently released new model lease forms. The only update is the expiration date (03/31/2014) as the previous lease form has expired. Current residents are not required to sign the 03/31/2014 lease. Only new move-in residents or residents that transfer units are required to sign the new lease.

Go to http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms/hud9

to locate and download the new leases:

- **HUD-90105-A Model Lease for Subsidized Programs**
- **HUD-90105-B Model Lease for Section 202 PRAC**
- **HUD-90105-C Model Lease for Section 202 PRAC**
- **HUD-90105-D Model Lease for Section 811 PRAC**

Other forms were also released with new expiration date of 03/31/2014:

HUD-27061-H Race and Ethnic Data Reporting Form- Housing

The following forms are samples, owner/agents may use these forms or their own version that contains the same information:

- **HUD-90101 Certification Long-Term Care**
- **HUD-90102 Verification of Disability - 202/8, 202 PAC, 202 PRAC, and 811 PRAC**
- **HUD-90103 Verification of Disability**
- **HUD-90104 Sample Exceptions to Limitations on Admission of Families**
- **HUD-90106 Move-In/Move-Out Inspection Form**

Mr. HUD

The theme "Adventures in Wonderland" was pure genius. Whoever thought of that should be given an award! Speaking of that, congratulations to the 2011 Kentucky Affordable Housing Hall of Fame winner Cedar Lake Residences. They are the first non-profit to be recognized in the Hall of Fame. They provide housing and supportive services for more than 120 clients and all Kentuckians should be proud of the safe and nurturing environment they provide. Mr. HUD certainly is.

Continued From Page 1

Service Coordinator Notes

We had a very successful Housing Management Conference (HMC) in May. The two-day Service Coordinator Track was well attended and informative. Thanks to those that served on the SC committee and planned a great event. Service Coordinators are encouraged to volunteer for the 2012 HMC Committee. If you have any ideas or topics you would like to see presented at next year's conference, but don't have the time to serve, give Sarah Andino a call and share your thoughts. Sarah's number is 502-618-8102.

Congratulations to Nell Blackford, Service Coordinator of the Year. Nell is the Service Coordinator at the J O Blanton House in Louisville, Kentucky. Due to family obligations, Nell was not available to receive her award at the HMC. In an appreciation note acknowledging the award, Nell wrote, "There is much satisfaction simply by helping those that others have often forgotten." A big "thank you" also goes to Nell for organizing the health fair at this year's conference.

Extension funding is available for existing SC programs. Requests for extensions should be submitted at least 120 days prior to the grant expiration date. This year's allowed increase is 1.5 percent of the amount used in 2010. All extension requests for grants expiring prior to December 31, 2011, must be received by the Louisville Field Office no later than August 1, 2011. If you have any questions about the extension procedures, please contact Donna Dudgeon at 502-618-8117.

As of the date of this publication, the 2010 Service Coordinator grant awards have not been announced. It is anticipated that announcement will come soon. There will not be a Service Coordinator NOFA in 2011. The next one will be announced sometime in federal fiscal year 2012. If interested in applying for a future SC grant, you may go to www.grants.gov and sign up for e-mail notifications of grant announcements.

The Kentucky Association of Service Coordinators quarterly meeting will be held on Thursday, August 18 from 10:00 to 2:00 at Christian Care Communities, Chapel House of Louisville at 960 South Fourth Street, Louisville, Kentucky. The office phone number is 502-560-5145. Cathy Allgood-Murphy of AARP will be the guest speaker. Ms. Allgood-Murphy will speak on ways KASC can support legislation designed to help seniors. All Service Coordinators and those interested in service coordination are welcome to attend this event.

The 2011 National Service Coordinator Conference will be held in Orlando, Florida, from August 28-31, 2011. For more information visit: www.servicecoordinator.org. Service Coordinators, please remember when traveling for training where the grant funds are being used, to keep documentation (receipts, bills, etc.) to prove expenses on the vouchers. In the past, we have had to delay the voucher payments due to missing or incomplete documentation.

Summer 2011…Looks like it is going to be another hot one! Older adults are particularly at risk for developing heat-related illnesses because the ability to adequately respond to summer heat can become less efficient with age. For a free copy of the National Institute on Aging Age Page on hyperthermia in English or in Spanish, go to www.nia.nih.gov/HealthInformation/Publications/hyperthermia.htm. This document has a lot of good information on heat related conditions and may be useful to the seniors in your communities.

Have a Fun and Safe Summer!

HUD MULTIFAMILY RISK MITIGATION
Mortgagee Letter 2010-21

April 5, 2010, Commissioner David H. Stevens introduced a number of changes to the multifamily insurance programs. The changes will update the underwriting policies, increase lender and underwriter quality, and align loan application, submission and approval standards. These changes will affect all multifamily rental programs and include the following:

Revised underwriting standards to raise debt service coverage ratios, lower loan to value and loan to cost ratios, increase project reserves and sponsor equity investment, and limit sponsor cash out. Underwriting ratios will be targeted to different property types based on their risk profiles, with lower ratios for subsidized affordable housing properties and higher ratios for market rate properties.

Enhanced verification of property financial performance to decrease opportunities for misrepresentation and fraud.

Expanded borrower mortgage credit analysis to include a detailed review of contingent liabilities and ballooning term debt that could undermine a sponsor's financial stability.

Pre-screening of proposals for early identification of transactions that are not feasible or are not likely to proceed to a commitment, allowing staff to focus on a deeper analysis of transactions that will close.

The program changes introduced by Commissioner Stevens were codified in Mortgagee Letter 2010-21 and Housing Notice H 2010-11, both issued on July 6, 2010 and both containing identical information. Program underwriting changes include adjustments to:

Section 223(f):

1. Occupancy standards
2. Market study requirements
3. Release of cash/equity from loan proceeds standards
4. Financial statements for underwriting Section 223(f) Refinancing
5. Past due payables and project liabilities standards
6. Underwriter site inspection and rental lease audit requirements
7. Reserve for replacement requirements and condominium ownership regimes

Section 223(a)(7):

1. Eligibility for MAP processing,
2. past due payable and project liabilities,
3. Reserve for replacement

New Construction and Substantial Rehabilitation for Section 221 (d)(4), 221(d)(3), 220, 231, and 241 (a) :

1. Application Fees
2. Pre-Application Exhibits
3. Market Studies
4. Underwritten Occupancy
5. Number of Units
6. Marketing, Leasing, and (if applicable) Relocation Plan
7. Cash Out from Land Equity
8. Construction Contract Retainage
9. Contingency Escrow Requirements for Substantial Rehabilitation
10. Furniture, Fixture and Equipment (FF&E) in Cost Basis
11. Reserve for Replacement and PCNA Requirement
12. Operating Deficit Escrow Requirements for New Construction/ Substantial Rehabilitation
13. Working Capital Escrow Requirements for New Construction/ Substantial Rehabilitation
14. Insurance Upon Completion
15. Other Issues as outlined in ML 2010-21

Refer to the Mortgagee Letter 2010-21 or Notice H 2010-11 for detailed information on revisions.

The above changes were applicable to all new applications received after September 6, 2010; with the exception of projects

2011 Income Limits

The new income limits for 2011 have been posted and were effective May 31, 2011. In some areas, income limits have gone down so it is important to check these prior to move-ins. The income limits for specific states and counties may be found on the HUDClips web site at http://www.huduser.org/portal/datasets/il/il11/index.html. Please refer to the website for your specific county. Below is a summary of the statewide income limits for the state of Kentucky:

FY 2011 Income Limits Documentation System, FY 2011 Income Limits Summary

FY 2011 Very Low-Income (50%) Limit (VLIL)									
Kentucky									
Income Limit Information	Median Family Income	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
FY 2011 VLIL	$52,300	$18,300	$20,900	$23,550	$26,150	$28,250	$30,350	$32,450	$34,500

FY 2011 Extremely Low-Income (30%) Limit (ELIL)								
Kentucky								
Income Limit Information	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
FY 2011 ELIL	$11,000	$12,550	$14,100	$15,700	$16,950	$18,200	$19,450	$20,700

FY 2011 Low-Income (80%) Limit (LIL)								
Kentucky								
Income Limit Information	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
FY 2011 LIL	$29,300	$33,450	$37,650	$41,850	$45,200	$48,550	$51,900	$55,250

HMC 2011 Pics – Ready to View!

Another conference accomplished with great success! Every year, it seems that everyone enjoys seeing the pictures from the prior year's conference up on the screens in the ballroom. So, since we are always looking for ways to improve, we have found a way to show you folks some of the pictures much, much sooner.

Below is a link to Snapfish where the pictures taken at the 2011 SAHMA/KHC Housing Management Conference have been loaded. You will need to put in an e-mail address and create a password to view the entire album. You can also order any pictures that you would like!

http://www5.snapfish.com/snapfish/thumbnailshare/AlbumID=3747138026/a=5838123026_5838123026/otsc=SHR/otsi=SALBlink/COBRAND_NAME=snapfish/

Cedar Lake Residences, Inc. Kentucky Affordable Housing Hall of Fame winner

2011 Housing Management Conference Committee

Energy Saving Updates

As we all know, energy costs continue to rise. What can each of us do to cut energy costs in our houses and apartments? This month I will recommend several books on the subject and give a short review.

Residential Energy: Cost Savings and Comfort for Existing Buildings

—John Krigger

Large type text and especially clear graphics and illustrations abound in this discussion of cost savings and retrofitting of existing buildings. From duct insulation and hot water distribution systems to energy-efficient laundering, this is packed with a wide range of energy-saving ideas and will prove useful despite its hefty price tag. —Midwest Book Review—This text refers to an alternate paperback editions.

Residential Energy introduces readers to a home's energy-related components and explains all the important possibilities for energy conservation. Readers will learn this from exceptionally illustrated text that effective energy conservation requires a whole-house approach that addresses the biggest energy wasters first!

Covering everything from basic principles and air leakage to insulation and windows and doors, this user friendly manual is an essential text/reference for anyone interested in the design, construction, and operation of energy efficient homes! PLUS, every book includes a CD-ROM containing an electronic version of the text.

Ideally suited for programs in weatherization, energy auditors/rater and general construction trades including carpentry, HVAC, plumbers, electricians, and more! *Residential Energy* is packed full of the latest information on energy consumption, analyzing energy costs, and other energy-auditing information.

Cut Your Energy Bills Now

—Bruce Harley

This book is the best value out there. Because it explains in simple, easy to understand terms the most essential aspects that every person that lives in a dwelling should know about the way our choices about energy affect our homes. Get a copy for all your friends and they will thank you for years to come.

Insulate and Weatherize

—Brice Harley

I am very pleased with this book. In addition to it covering the basics of insulation and weatherization, the author shares the latest results of actual research in "building science." This book dispelled several myths about what really works. The book has numerous side bars with expert tips and "what can go wrong." You can tell the author teachers seminars on his topic, because the material is very well organized and clearly presented. The advice of an expert is invaluable, and I am rethinking my approach as a result of reading this book. Insulation and weatherization can be time-consuming and costly. If you want to tackle the projects that yield the greatest bang for your buck read this book.

Subscribe To Louisville MF Listserv

The Louisville Multifamily Program Center recently created two new listservs that you need to subscribe to if you would like to receive information regarding new developments and announcements through the Louisville HUD office.

The KY MF Owners and Management Agents list provides news and information to Owners, Management Agents and Site Managers on new policies and procedures.

The KY Multifamily Partners list provides an easy way for our business partners (property owners, management companies, sponsors, developers) and other interested parties to stay informed. The Louisville Multifamily Program Center will use this mailing list to send notices, announcements, the Kentucky Housing Partner Newsletter, etc., to our business partners.

To sign up go to http://portal.hud.gov/portal/page/portal/HUD/subscribe/localmailinglist#ky
and select the listserv that you are interested in. From there, follow the instructions on the Mailing List Sign-Up page.

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