

**U.S. Department of Housing and Urban Development**

Michigan State Office
Office of Housing
Patrick V. McNamara Federal Building
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June 15, 2005
Issue

Mortgagee Informational Bulletin #2

The Michigan State Multifamily Hub is implementing this informational bulletin to keep mortgagees up to date with changes or news from our HUB relating to development issues. We're happy to cover any issues in the bulletin on which you have questions; current plans are to issue the bulletin on an as-needed basis.

I. DAP Input required for commitments

The HUD Field Offices are required to issue commitments now out of the DAP (Development Application Processing) system. To expedite our processing of the commitment, we ask that you fully complete all parts of the HUD form-2264. To help our office expedite the DAP we are asking for your assistance in the following manner:

1. **Valuation Input**-The DAP system requires expense data to be entered on a per unit per year basis when completing the HUD 92264. Given that appraisers are already using per unit expenses on the HUD 92274, it would be helpful if the same figures were transferred to the HUD 92264. This will assist HUD staff in completing the data entry, ensure accurate results, and should not entail additional effort for the appraiser or lender.

2. **A & E Input-**

For a 223(F) application please ensure you include:

- a. Number of parking spaces
- b. Site Square Feet
- c. Construction Type for each building (High-rise, Walk-up, Elevator, etc..) Also include the Structural Component, i.e.: slab on grade/basement/masonry.
- d. Gross Square Foot for each building.
- e. Repair Costs with dollar amount for each item (Critical and Noncritical Repairs).
- f. Needs Assessment Fee
- g. Surveyor's Fee

For a 221(D)(4) and 221(D)(3) application:

- a. Please make sure the 2328 and 92226 (if applicable) and the 92013 is filled out in its entirety.
- b. Include Architects Fee
- c. Show Engineering Fees
- d. Include Developer's Fee (if applicable)
- e. CNA's (Break Down By Cost)

3. Mortgage Credit Input-

Need credit reports for all sponsors, the mortgagor entity, principals of the mortgagor, business concerns, the general contractor, and if applicable, the housing consultant.

A credit report must be submitted for a newly formed mortgagor entity, DAP will not allow us to make a final recommendation until all the required credit reports are included.

Your efforts to have the above items completed will help the Michigan Multifamily Hub in expediting your commitments in DAP.

II. Reminder: Lenders Roundtable discussion will be July 7, 2005 at the McNamara Federal Building on mezzanine level.

If you have any questions regarding this bulletin, please contact Patrick berry at (313) 226-4900 extension 8155.