

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



OFFICE OF HOUSING

ADMINISTRATIVE MEMORANDUM
OFFICE OF MULTIFAMILY HOUSING PRODUCTION

MEMORANDUM FOR: All Multifamily Mortgagees
All Multifamily Regional and Satellite Office Directors & Production
Staff

DocuSigned by:
Willie Fobbs
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FROM: Willie Fobbs III, Director, Office of Multifamily Production

SUBJECT: Removal of \$25 million Cap on Loans in the New LIHTC Pilot

RELATED GUIDANCE: New LIHTC Pilot as outlined in ML-2019-03 and HN 2019-03.

A. PURPOSE & BACKGROUND

Multifamily Production is implementing a change to [ML 2019-03](#) and [HN 2019-03](#) (“New Pilot”) by removing the \$25 million cap on the loan amount for the New Pilot program. Such permission and lender election are subject to all other requirements set forth in this memorandum and ML 2019-03 and HN 2019-03.

The New Pilot program extended streamlined processing to new construction and substantial rehabilitation transactions under Section 221(d)(4) and Section 220 programs utilizing LIHTC equity but limited the loan amount to not exceed \$25 million. Multifamily Production has since considered the current affordable rental housing market conditions utilizing LIHTC and determined that removing the cap will better align and further incentivize borrowers and lenders to use the New Pilot program.

B. LENDER RESPONSIBILITIES & OPTIONS

Lenders have the option to utilize the expedited approval processing as described in ML 2019-03 and HN 2019-03. For expedited processing, the lender must request a concept meeting. Concept meetings for expedited processing will not be scheduled until all required Exhibits (attached, including items listed in [MAP Guide 5.7.1](#)) are submitted. HUD's underwriting review will be reduced when expedited and will rely on the quality of the lenders' due diligence both during application processing and construction administration. All the requirements for expedited processing described in ML 2019-03 and HN 2019-03 will be strictly enforced.

C. ELIGIBILITY CRITERIA

All Applications are subject to eligibility criteria outlined in ML 2019-03 and HN 2019-03.

D. CONTACT

For any questions concerning this memorandum, please contact Barbara S. Williams, Acting Deputy Director, Office of Multifamily Production at barbara.s.williams@hud.gov.

Attachment:

Early Deliverable List – [NC/SR LIHTC Pilot- Concept Meeting Early Deliverables](#) (clickable link can be found on this page): https://www.hud.gov/program_offices/housing/mfh/map/maphome/taxcredit