



OFFICE OF HOUSING

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

MEMORANDUM FOR: Multifamily Regional Directors
Multifamily Satellite Office Directors
Multifamily Owners and Management Agents

FROM: Christie M. Newhouse, Acting Director, Office of Asset Management
and Portfolio Oversight, HTG

SUBJECT: New APPS Flag for Miscellaneous Violation of Business Agreements

This memorandum notifies stakeholders of a new Active Partners Performance System (APPS) flag that will be used by HUD for enforcement purposes and will be incorporated into the APPS Processing Guide in a forthcoming Housing Notice. The new flag is a Tier 3 APPS flag, the lowest level violation in the APPS system, that has been created under the Flag Type: Miscellaneous Violation of Business Agreements. This Tier 3 APPS flag may be applicable to any violation of a property's business agreements with HUD (e.g., non-compliance with certain program requirements, non-responsive to HUD requests). The flag will be removed when HUD has verified the owner's compliance with the relevant program requirement, the owner provides a HUD approved action plan for achieving compliance, or five (5) years after the placement date of the flag, whichever is soonest. If you have any questions, please contact Daniel Clark at Daniel.J.Clark@hud.gov.