

Chapter 17: Contract Processing

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17

Contract Processing

The Contract Processing function is performed by Multifamily Housing Project Managers and Performance Based Contract Administrators to record and monitor Section 8 contracts as described under provisions of Multifamily Assisted Housing Reform and Affordability Act (MAHRA), Energy Performance Contracts (EPC) and Project Rental Assistance Contracts (PRAC). Other Multifamily Housing and DEC Personnel may view this information. This chapter describes three sidebar options in the Subsidy Administration business area. The primary one is called Contract Processing Sidebar Option and is discussed first below. That discussion is followed by discussions of two supporting functions: Comparability Study Sidebar Option and Renewal Budget Sidebar Option.

The Energy Performance Contract (EPC) program is documented within the Contract Processing function. This program is available for options 1a, 1b, 2, 4 and 5b. These options while in the EPC Term will not be a part of auto OCAF. One of the key strategies of accomplishing this goal is to increase the energy efficiency of household appliances and lighting. This way, savings in energy costs can be used by HUD to provide additional housing. *(EPC details are included at the end of this chapter.)*

The Project Rental Assistance Contracts (PRAC) is now entered into iREMS for processing. PRAC contains the new form of rental assistance subsidy for the Section 202 and Section 811 capital advance programs. The term of a PRAC contract is 3 years and the contracts are subsequently renewed every year for a 1 year term. PRACs are HUD-administered. Rent Adjustments are currently only Budget Based and Manual.

The Renewal functionality of the Contract Processing page in **iREMS** is designed to correspond with the HUD Section 8 Renewal Policy. Once renewal information is entered in **iREMS** and validated, the contract funding process is initiated through an interface with the **ARAMS** system.

Objectives:

By the end of this chapter, you will be able to:

- Enter a MAHRA renewal, an Energy Performance Contract (EPC) renewal, or a PRAC renewal in **iREMS**
- Apply comparability study and renewal budget information
- Enter MAHRA and EPC Amend Rents Only information
- Enter Rent Adjustment information (includes RAD contracts)
- Enter information for a Notification Opt-Out of Section 8 Contract.


17.1 Contract Processing Sidebar Option

The Contract Processing sidebar option has the following three tabs *Contract Processing List*, *Function/Contract Selection* and *Function Detail*. These tabs display as active or inactive (grayed out) depending on the contract function or renewal option selected. Information can be entered and updated from the **Contract Processing** sidebar option, for any active contract associated with a property using the tabs. Renewal information includes contract/stage information, the status of the renewal, the renewal option selected, and the expiration date of the renewal. Rent Adjustment information includes rent increases for multi-term contracts that have not renewed under MAHRA (including RAD contracts) or are not eligible to renew under MAHRA, or manual corrections. MAHRA Amend Rents Only rent increases includes rent increase information for multi-term contracts that are renewed under MAHRA. Rent Comparability Studies and Renewal Budget information is also associated to specific contract processing functions through the tabs on the **Contract Processing** sidebar.

Accessing the Contract Processing Page:

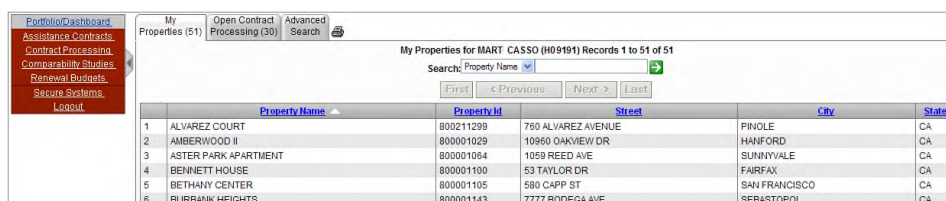
Once you access the *Subsidy Administration* tab, the **Subsidy Administration Portfolio/Dashboard** page displays, showing a list of all active properties with assistance contracts associated with them.

To access the **Contract Processing** page you must first select a specific property from the **Subsidy Administration Portfolio/Dashboard** page. Once you have selected a property, the **Assistance Contract List** page displays. From the **Assistance Contract** page you select the *Contract Processing* link from the *iREMS* sidebar.

 *Note: The Property Header located at the top of the page, displays the Property ID, Name, Contract/FHA#, Active Status, Watch List, Troubled Status and DEC Status. This Header will appear on most of the pages in iREMS. There is also a search feature in the header that allows the user to select a different property without having to return to the Portfolio/Dashboard page to make the change selection.*

To access the Contract Processing page:

1. From the **Subsidy Administration Portfolio/Dashboard** page, select a property by clicking once on the row.



	Property Name	Property ID	Street	City	State
1	ALVAREZ COURT	800211299	750 ALVAREZ AVENUE	PINOLE	CA
2	AMBERWOOD II	800001029	10960 OAKVIEW DR	HANFORD	CA
3	ASTER PARK APARTMENT	800001064	1059 REED AVE	SUNNYVALE	CA
4	BENNETT HOUSE	800001100	53 TAYLOR DR	FAIRFAX	CA
5	BETHANY CENTER	800001105	580 CAPP ST	SAN FRANCISCO	CA
6	BURBANK HEIGHTS	800001143	7777 BODEGA AVE	SEBASTOPOL	CA

2. The **Assistance Contract List** page displays.

- Click on the *Contract Processing* link in the sidebar. The **Section 8 Contract Processing List** page displays.

Contract #	Stage	Processing Function Type	Contract Actions	Effective Date	Expiration Date	Status
CA39M000161	N/A	Amend Rents	FY 2013 - 2: Request Renewal Without Restructuring at or Below Comparable Rents	08/01/2013	07/31/2014	Option Selected - In Process
CA39M000161	N/A	Amend Rents	FY 2012 - 2: Request Renewal Without Restructuring at or Below Comparable Rents	08/01/2012	07/31/2013	Completed
CA39M000161	N/A	Amend Rents	FY 2011 - 2: Request Renewal Without Restructuring at or Below Comparable Rents	08/01/2011	07/31/2012	Completed
CA39M000161	N/A	Amend Rents	FY 2010 - 2: Request Renewal Without Restructuring at or Below Comparable Rents	08/01/2010	07/31/2011	Completed
CA39M000161	N/A	Renewal	FY 2009 - 2: Request Renewal Without Restructuring at or Below Comparable Rents	08/01/2009	07/31/2029	Completed

Figure 17-1. Section 8 Contract Processing List


17.2 Contract Processing List


All renewals on contracts/stages are stored at the property level. You can add, view, or update contract processes from this page. The **Contract Processing List** tab displays the **Contract Processing List** page, which contains a list of all contracts on a specific property with contract processing functions in table format. The following columns display in the Contract Processing List: *Contract #*, *Stage*, *Processing Function Type*, *Contract Actions*, *Effective Date*, *Expiration Date*, and *Status*. The table is display-only, all contract processing functions are done through the remaining tabs displayed on this page. In order to navigate to the other pages in the **Contract Processing** area, you must select either an existing contract processing record from the table, or add a new one. When initially accessing this page, the top record is highlighted by default. To select a different record, highlight and click on the desired row.

Note: The other tabs associated with Contract Processing are inactive (grayed out) on the Contract Processing List page. To activate you must either select an existing contract function, or add a new one. The activation and deactivation of tabs depends on the specific contract function.


To access an existing contract function:



Highlight and click on the desired row to select the record. The associated **Function Detail** page displays.



 *Note: Adding or updating contract processing information is detailed in subsequent sections of this chapter. Please refer to the pertinent section, i.e., **Function Detail** or **Amend Rents**, for information on the specific function.*

 *Depending on your authorization, the **Contract/Function Selection** page information displays as either update or view-only.*

17.2.1 Adding a New Contract Function

 *Note: Before adding a new contract function, be sure to enter the **Comparability Studies** and **Renewal Budget** that you will need. (See sections 22.8 and 22.9 below for details).*

The **Contract Processing List** page displays a  button for entering new contract functions for the specific property. Clicking on the  button accesses the **Function/Contract Selection** page, this displays a list of all active contracts and stages for the property.


 *Note: The  button displays only to those MFH users and PBCAs with “add” rights associated with their ID.*

The section below is a detailed description of the features and functions of the **Function/Contract Selection** page.

17.3 Function/Contract Selection

On this page you can enter information for all contract functions. The **Function/Contract Selection** page displays all active contracts and/or stages for a property.

The **Function/Contract Selection** page is accessed in any of the following ways:

- Clicking on  and the **Contract Processing List** page to create a new contract process.
- Clicking on the **Function/Contract Selection** tab from any of the **Function Detail** or **Rent Adjustment** pages.

From this page you can:

- Combine contracts or stages

- Enter renewal/short-term renewal data using one of the renewal options as stated in the HUD Section 8 Renewal Policy
- Enter data for amend rents
- Enter data for rent adjustments
- Enter data for a Notification of Intention to Opt-out of Section 8 Contract

When initially accessing the **Function/Contract Selection** page to add a new contract process, all active contract numbers and stages (if applicable), display. When a group of contracts (with stages) are combined, all active contracts and/or stages are displayed. Only the active contracts and/or stages will be available for selection or combining for the renewal.

If an erroneous contract processing type is selected on this page, you have the ability to change the saved record from one contract processing type to another. If an amend rent has been entered and saved and then it is determined that it should be changed to a renewal, the contract effective date and the contract expiration date are properly set for the renewal. The contract effective date is set to the contract expiration day plus one and the contract expiration date will be set to null/blank.

To access the Function/Contract Selection page:

From the **Contract Processing List** page, click on **Add** and the **Function/Contract Selection** page displays.

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	FL290046007	N/A	05/31/2015	Y

Combine Contracts and/or Stages: ☐ No

Surviving Contract: FL290046007

HUD Policy:

Fiscal Year:

Contract Function:

Contract Action Selection:

Processing Status(if applicable):

Date Owner Signed Submission:

Date Owner Submission Package Initially Received:

Date Complete Package Received from Owner:

Is the Owner Debarred or Suspended? ☐ Yes ☐ No ☒ Unconfirmed

Does the Owner Have Material Violations? ☐ Yes ☐ No ☒ Unconfirmed

Figure 17-2. Function/Contract Selection

Note: When the system generates an Auto OCAF record the three owner package dates will not display on the Function/Contract Selection page. The owner package dates are required fields other renewal and amend rent records. An error message will display if not completed.

Note: If the user selects "No Owner Response" from the Processing Status drop down the dates will not display on this page. The user will not be able to complete any other data until the package is received from the owner.

The screenshot shows the iREMS Contract Processing interface. On the left is a sidebar with links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The top navigation bar includes: Section 8 Contract Processing List, PRAC Contract Processing List, Function / Contract Selection (active), and Function Detail. Below the navigation bar is the 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. The main content area is titled 'Contract(s) and/or Stage(s):' and contains a table with the following data:

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	FL290046007	N/A	05/31/2015	Y

Below the table, the 'Surviving Contract' is FL290046007. The 'HUD Policy' is set to 'User Guide'. The 'Fiscal Year' is set to '2014'. The 'Contract Function' is 'MAHRA Renewal or Short-Term Renewal'. The 'Contract Action Selection' is '2: Request Renewal Without Restructuring at or Below Comparable Rents'. The 'Processing Status(if applicable)' is 'No Owner Response'.

17.3.1 MAHRA Renewals

This Section details the basic flow of the renewal process in iREMS. Owners should submit the required documentation and option selection to HUD or to the Contract Administrator at least 120 days prior to the expiration of the contract. Owners can also request an OCAF adjusted or Budget Based rent increase at least 120 days before the anniversary of the contract, providing all criteria are met for the specific request. Under normal circumstances the **iREMS** process begins when the renewal documentation is received. However, there are cases where housing staff may request a short-term renewal for an owner, if the owner has not made a decision about their future relationship with HUD. Assuming that all renewal documentation has been received, the following is applicable for processing a renewal in **iREMS**.

1. Complete the Function/Contract Option Selection page.
2. Complete the detail pages for the selected option.
3. Enter rent and/or comparability studies data as applicable.
4. Set Rents Final Indicator to yes when complete.

iREMS sends this data to TRACS/ARAMS which in turn updates other HUD systems. **iREMS** will receive renewal status updates from these systems and display the current status of the renewal.

17.3.2 iREMS/ARAMS Interface

The Automatic Renewal and Amendment Management Subsystem (ARAMS) improves the funding process by providing an automated routine in which funds can be reserved at an earlier stage for new,

renewal, and amended subsidy contracts. In the case of renewals, ARAMS interfaces with **iREMS** for the exchange of data. The Rents Final for Contract Exhibit indicator on the option detail pages are used by ARAMS to verify when the rents entered in **iREMS** are final and ready to be included as a contract exhibit. The ARAMS Status field displays the current status of the renewal process from ARAMS. If the status in ARAMS is set to Pending Contract, further updates can be made in **iREMS**. Once the status in ARAMS is set to Offered, Executed, Contracted, Obligated, or Posted, the renewal option detail pages are locked down for that contract, and no further updates are allowed except for certain fields on the page. The only fields that will remain editable after the page has been locked down are Renewal Status, HUD Renewal Policy, Decision Comments (renewal/short-term renewal option 1-5), Date Sent to OAHP (renewal option 3a-3b), and Date Review Results Received from OAHP (renewal option 3a-3b).

You can access ARAMS if you are a registered ARAMS user by going to the Secure Systems page and logging into ARAMS.

17.3.3 Section 8 Renewal Options

There are multiple options that can be used to renew a contract:

Option One:

- A: Mark-Up-To Market Eligibility
- B: Discretionary Authority Eligibility Mark-Up-To-Market

Option Two:

- Request Renewal Without Restructuring at or Below Comparable Rents

Option Three:

- A: Request Referral to Office of Affordable Housing Preservation (OAHP) for Reduction of Contract Rents to Comparable Market Rents
- B: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents
- B: Request Renewal of Full Mark to Market Contract

Option Four:

- Request Renewal for Projects Exempt from OAHP

Option Five:

- A: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
- B: Request Contract Renewal for a Preservation Project

To select one of these renewal options you must choose one from the *Contract Action Selection* drop-down list on the **Function/Contract Selection** page. Each of the renewal options listed in the *Contract Action Selection* drop-down list has corresponding detail pages, in which you record information concerning the renewal. Depending on the option selected, the information can include renewal method selection, owner certification, comparability study requirement indicator, budget requirement indicator, and applicable budget submitted date. You can also enter dispute/appeal comments, HUD approved rent,

and any decision comments that apply to any of the options selected. You can enter information on these pages when you create the renewal record, or you can access an existing renewal record and add or update information at a later date.

The detail pages for the selected option displays on the **Function Detail** tab, described in the next section.

17.3.3.1 Short-term Renewals

Short-term contracts are for less than twelve months. The term “short-term” refers to the term of the contract, not the type of contract. Short-term renewals can be entered for any of the renewal options. Short-term renewals may be provided for the following reasons:

- To protect the families. For example, to allow additional time to cover a delay in providing family based assistance in cases of owner opt-outs, or in cases where the project is subject to enforcement actions.
- To align multiple contracts or stages in a project.
- To provide HUD with adequate time to process an owner's request to renew under the Mark-Up-To-Market (Option 1) procedure, for HUD/CA to perform a comparability study, owner to complete a comparability study, or HUD/CA to review an owner's comparability study.

Since short-term renewals can be used to align multiple contracts and/or stages, they can be “stand-alone” renewals.

Information entered in the *Length of Contract in Months* field on the **Function Detail** pages determines whether or not a renewal is a short-term renewal. Short-term renewals display in the **Contract Processing List** page with the suffix of (ST).

For detailed information about short-term renewals, please refer to the HUD Section 8 Renewal Policy and the related attachments.

To add a new renewal:

1. From the **Subsidy Administration Portfolio Dashboard** page, highlight and click on a property. The **Assistance Contract List** page displays.

Figure 17-3. Assistance Contract List page

- Click on the *Contract Processing* sidebar option and the **Section 8 Contract Processing List** page displays.

Contract #	Stage	Processing Function Type	Contract Actions	Effective Date	Expiration Date	Status
FL290046007	N/A	Amend Rents	FY 2013 - 2. Request Renewal Without Restructuring at or Below Comparable Rents	06/01/2013	05/31/2014	Completed
FL290046007	N/A	Amend Rents	FY 2012 - 2. Request Renewal Without Restructuring at or Below Comparable Rents	06/01/2012	05/31/2013	Completed
FL290046007	N/A	Rent Adjustment	FY 2012 - Manual Correction	06/01/2012		Executed
FL290046007	N/A	Amend Rents	FY 2011 - 2. Request Renewal Without Restructuring at or Below Comparable Rents	06/01/2011	05/31/2012	Completed
FL290046007	N/A	Renewal	FY 2010 - 2. Request Renewal Without Restructuring at or Below Comparable Rents	06/01/2010	05/31/2015	Completed
FL290046007	N/A	Amend Rents	FY 2009 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2009	05/31/2010	Completed
FL290046007	N/A	Amend Rents	FY 2008 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2008	05/31/2009	Completed
FL290046007	N/A	Amend Rents	FY 2007 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2007	05/31/2008	Completed
FL290046007	N/A	Amend Rents	FY 2006 - 4. Request Renewal for Projects Exempt from OAHF	06/26/2006	05/31/2007	Completed
FL290046007	N/A	Renewal	FY 2005 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2005	05/31/2010	Completed
FL290046007	N/A	Amend Rents	FY 2004 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2004	05/31/2005	Completed
FL290046007	N/A	Amend Rents	FY 2003 - 4. Request Renewal for Projects Exempt from OAHF	06/01/2003	05/31/2004	Completed


Figure 17-4. Section 8 Contract Processing List page

- From the **Contract Processing List** page, click on **Add** and the **Function/Contract Selection** page displays.


Figure 17-5. Function/Contract Selection page

4. On the **Function/Contract Selection** page, enter the following information:

- *Contract, select checkbox*
- *Combine Contracts and/or stages, select radio button*
- *Surviving Contract, from the drop-down list*


 *Note: The system will populate the field by default; however, you can select another contract number in the list to be the surviving contract number when combining contracts. If you are not combining contracts, this field displays the contract number you selected by checking the checkbox in the table.*

- *HUD Policy, from the drop-down list*
- *Fiscal Year, from the drop-down list*

 *Note: The fiscal year of the new renewal is based on the expiration date of the prior contract or the prior term for a multi-term contract. A 9/30 expiration is counted and processed for renewal purposes in the fiscal year that the contract expired. Even though the effective date is in the following fiscal year, the renewal counts against the previous fiscal year; i.e., contract X's FY 2002 for a renewal with effective and expiration dates of 10/1/2002 - 9/30/2003, because the prior expiration date is 9/30/2002.*


- *Contract Function, from the drop-down list*


Select a Contract Function
MAHRA Renewal or Short-Term Renewal
MAHRA Opt-Out (Option 6)
Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)
MAHRA Amend Rent Increases


 *Note: You must select a contract function from the drop-down list before the Contract Action selection is available.*

- *Contract Action Selection, from the drop-down list*


Select a renewal option
1a: Mark-Up-To-Market Eligibility
1b: Discretionary Authority Eligibility Mark-Up-To-Market
2: Request Renewal Without Restructuring at or Below Comparable Rents
3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
3b: Request Referral to OAHF for Restructure of Mortgage and Reduction of Contract Rents
3b: Request Renewal of Full Mark to Market Contract
4: Request Renewal for Projects Exempt from OAHF
5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
5b: Request Contract Renewal for a Preservation Project

 *Note: The options available on in the Contract Action Selection drop-down list change based on the selected Contract Function selected in the Contract Function drop-down list.*


 *Note: You must select an option from the Contract Action Selection drop-down list in order to access the option detail pages. An error message displays if no selection is made.*


 *Note: There are two “3b” options...one is for the “Request Referral to OAHP for Restrictions of Mortgage and Reduction of Contract Rents” and one is for the “Request Renewal of Full Mark to Market Contract”.*

- *Processing Status (if Applicable), from the drop-down list*

 *Note: You cannot enter a new process for a contract when an existing function has not been completed (e.g., no rent indicator final for renewals, an existing opt-out record, or an unprocessed rent adjustment record) and if the function has any of the status selections with the exception of Awaiting Input. You should only have one process with this status at any time.*

- *Date Owner Signed Submission, (calendar)*
- *Date Owner Submission Package Initially Received, (calendar)*
- *Date Complete Package Received from Owner, (calendar)*

 *Note: When the system generates an Auto OCAF record the three owner package dates will not display on the Function/Contract Selection page. The owner package dates are required fields other renewal and amend rent records. An error message will display if not completed*

 *Note: The system will validate that the date in the Date Complete Package received from Owner field is a date that is equal to or after the initial package received date. If only one package was received then the user should input the same date in both fields. The Date Complete Package Received from Owner field must be entered prior to setting the Rents Final Indicator to “yes”.*

- *Is Owner Debarred or Suspended, select radio button*
- *Does the Owner have Material Violations, select radio button*

5. Click on and a message that the save was successful displays.

Alternative Option

Click on before saving to return the page to blank fields.

17.3.3.2 Combining Contracts and Stages


The **Function/Contract Selection** page allows you to enter and track combination information for contracts and/or stages on a given contract. All active contracts (and stages, if applicable) associated with the property expiring in the current fiscal year are displayed in the *Contract(s) and/or Stage(s)* table. In order to combine contracts and/or stages, set the *Combine Contracts and/or stages* radio button to “yes” when completing the information on the **Function/Contract Selection** page.


The following rules apply when combining contracts and/or stages:

- *Verify that the contract number selected is the surviving contract number according to the guidelines for combining contracts/stages in TRACS*
- *Contract combination information can be entered only in conjunction with entering renewal information*
- *Contracts should be combined only if the expiration dates fall within the same fiscal year*
- *Stages can be combined only if the expiration dates fall within the same fiscal year as the contract being renewed*
- *All stages within a contract must be combined before the contract can be combined with another contract*
- *Contracts and/or stages with original effective dates prior to October 1981 should not be combined with a contract with an original effective date after October 1981*

Additionally, when combining contracts/stages, one contract number is designated as the surviving contract number. The system default for the surviving contract is:


- *Contract with the earliest effective date, or*
- *Contract stages with the latest expiration date*

 *Note: You can change the surviving contract number from the default setting; however, you must make the change before saving. Once the record is saved, this field becomes view-only.*

 *Note: Combining contracts and/or stages is available for MAHRA renewals only. You cannot combine contracts/stages for Amend Rents, Opt Out, or Rent Adjustments.*

When contracts are combined, the list of all contracts displays on the **Assistance Contract List** page. The list identifies the surviving contract as active. The units from all combined contracts and the surviving contract will be combined and displayed on the surviving contract record.

To combine contracts and/or stages:

1. From the **Contract Processing List** page, click on  and the **Function/Contract Selection** page displays.

2. Enter the following information:

- *Contract*, select checkbox
- *Combine Contracts and/or stages*, select radio button
- *Surviving Contract*, from the drop-down list
- *HUD Policy*, from the drop-down list
- *Fiscal Year*, from the drop-down list
- *Contract Function*, select *MAHRA Short-term Renewal and Renewal* from the drop-down list
- *Contract Action Selection*, from the drop-down list



Note: You must select an option from the Contract Action Selection drop-down list in order to access the option detail screens. An error message displays if no selection is made.

- *Processing Status (if Applicable)*, from the drop-down list
- *Date Owner Signed Submission*, (mm/dd/yyyy)
- *Date Owner Submission Package Initially Received*, (mm/dd/yyyy)
- *Date Complete Package Received from Owner*, (mm/dd/yyyy)



Note: The system will validate that the date in the Date Complete Package received from Owner field is a date that is equal to or after the initial package received date. If only one package was received then the user should input the same date in both fields. The Date Complete Package Received from Owner field must be entered prior to setting the Rents Final Indicator to "yes."

- *Is Owner Debarred or Suspended*, select radio button
- *Does the Owner have Material Violations*, select radio button

3. Click on and the Function Detail page displays.

17.4 Function Detail

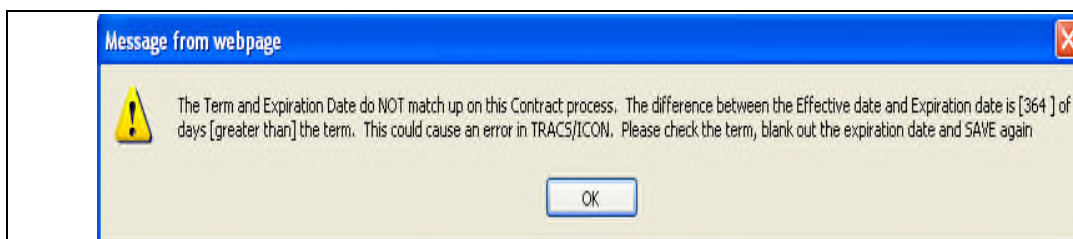
The **Function Detail** pages are specific to the contract function selected in the **Function/Contract Selection** page. There are different detail pages displayed for each of the renewal options. When adding a new contract process, once you enter the information in the **Function/Contract Selection** page and click , the **Function Detail** tab displays.

Figure 17-6. Function Detail page

*Note: When you select an existing contract processing record from the **Contract Processing List** page, the **Function Detail** page for that processing record displays.*

*Note: If the Function/Contract Selection record entered is a rent adjustment, the **Input Rents** page displays. For other types of functions, the **Function Detail Dates and Comments** page displays.*

Note: iREMS has added a warning message when the user attempts to save a renewal contract processing record, where the effective date plus the term do not equal the expiration date. The warning will state the following:



The **Function Detail** page displays tabs across the top of the page, determined by the renewal option selected in the **Function/Contract Selection** page. These links access pages associated with the specific function, and display information and input forms used to perform the contract process. These links are identified in the sections below pertaining to each renewal option. The initial page displayed for all renewal options is the **Dates and Comments** page.

The **Function Detail** page header displays at the top of all function detail input pages with the following fields:

- *Surviving Contract*: displays the surviving contract number for the renewal.
- *Function Type*: displays the function being processes, (i.e. renewal or amend rents).
- *Effective Date*: displays the effective date of the contract process.
- *Stage*: if the contract process pertains to a stage, displays the stage. Otherwise, displays “n/a”
- *Action*: displays the selected contract process, either the renewal option selected, or amend rents
- *ARAMS Status*: displays the current status in ARAMS for the contract process.

On the **Comparability Study Selection** page for Renewals on *Options 1a, 1b, 2, 3a, 4 and 5b* a **Fiscal Year** column has been added.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAC Created	Unit Type	Comparable Rent
<input type="checkbox"/>	2013	09/08/2010	Owner		Yes	1	745

Figure 17-7. Comparability Study Selection page

On the **Budget Selection** page for Renewals on *Options 2, 4 and 5b* a **Fiscal Year** column has been added.

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input type="checkbox"/>	2014	10/18/2013	6.50	1	0
				1	779
				1	0

Figure 17-8. Budget Selection page

On the **Rents** page the *Utility Allowance Effective Date* will be added to all Renewal options. The *Utility Allowance Effective Date* field will initially come from TRACS. The changes will be made in iREMS and passed to ARAMS. After the record is locked, ARAMS will pass the change to TRACS.

Also on the **Rents** page, three fields will appear for Renewal records on Options 2, 4, 5a and 5b. The fields are:

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): **Existing**
 Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): **Modified**
 Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): **New**

Portfolio Dashboard
 Assistance Contracts
 Contract Processing
 Comparability Studies
 Renewal Budgets
 Secure Systems
 Logout

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review

Rents Save Reset

Surviving Contract: FL290046007 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
 Effective Date: 06/01/2014 ARAMS Status:

Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: Comparable

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	0	0	745			745
1	0	0	745			745
1	20	731	745	746	779	745

Rent Potentials

	Monthly	Annual
Current Contract Rent at Expiration	14620	175440
Comparable (HUD 92273) Rent	14900	178800
OCAF Adjusted Rent	14920	179040
Budget-based Rent	15580	186960
Renewed Rent	14900	178800

Renewal Rent Effective Date: 06/01/2015

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00
 Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00
 Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00

Date Sent to OAHF: (If rents determined by HUDICA to be over Comparable)
 Reason sent to OAHF:
 Date Review Results Received from OAHF:
 OAHF Results:

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No
 Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

Calculated Renewal Rent Detail

Save Delete Reset Close

Unit Type: 1
 Number of Units: 20
 Current Contract Rent at Expiration: 731
 Current Utility Allowance (if separate from rent): 64
 Comparable(HUD92273) Rent: 745
 OCAF Adjusted Rent: 746
 Budget Based Rent: 0
 Budget Based Utility Allowance (if separate from rent): 0
 Energy Adjustment Amount Applied to Final Rent: 0
 Renewed Rent: 0
 Renewed Utility Allowance (if separate from rent): 0
 Utility Allowance Effective Date: 06/01/2013

Unit/Bedroom Type Description:

Figure 17-9. Calculated Renewal Rent Detail page

Section 8 Contract Processing List	PRAC Contract Processing List	Function / Contract Selection	Function Detail
1	20	731	745
			746
			779
Rent Potentials			
Monthly	14620	14900	14920
Annual	175440	178800	179040
			15580
			188960

Renewal Rent Effective Date: 06/01/2015

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00

Date Sent to OAHHP: (If rents determined by HUD/CA to be over Comparable)

Reason sent to OAHHP:

Date Review Results Received from OAHHP:

OAHHP Results:

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments :

Utility Allowance Changed: No

Figure 17-10. Rent page

The following sections describe the function detail pages for each of the contract renewal processing options.

17.4.1 Option 1a: Mark-up to Market Eligibility

An owner may request to enter into the Mark-Up-To-Market program at the expiration of a Section 8 contract. Rents may be renewed at the lesser of comparable market rents or 150% of the Fair Market Rent (FMR). Contracts that renew for the first time under Option 1a/1b are required to submit a Rent Comparability Study (RCS). The owner can use an existing RCS adjusted by (OCAF) to establish initial eligibility. All properties that meet the following criteria are eligible for the Mark-Up-To-Market program for contract renewal:

- A REAC physical inspection score of 60 or above, with no uncorrected Exigent Health and Safety (EHS) violations
- For-profit or limited-distribution ownership
- Comparable market rents at or above 100% of the FMR potential
- The project does not have a low-and moderate-income use restriction that cannot be eliminated by unilateral action by the owner

Note: HUD has discretionary authority to qualify nonprofit owners that meet certain criteria, or other properties that do not qualify according to the above requirements, for the Mark-Up-To-Market contract renewal program.

For detailed information on which properties are eligible for Option 1a, please refer to the *HUD Section 8 Renewal Policy* and any related attachments.

The **1a: Request Renewal Under Mark-Up-To-Market Eligibility** pages allow you to enter and associate two comparability studies (owner's and HUD's), enter renewal rents, and determine eligibility

for the Mark-Up-To-Market program. Once you enter the information from the rent comparability studies (owners and HUD's), iREMS calculates the final comparable market rents and determines the final eligibility. You can also enter information on Section 236, 515, and BMIR properties, as well as the renewal effective date and the length of the renewal, and any related comments. Once the Option 1a renewal information is complete in iREMS, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

The **Function Detail** pages for Option 1a renewals are accessed via the tabs that display across the top of the page: *Dates and Comments*, *Comparability Study Selection*, *Input Rents*, *Eligibility*, *Rents*, and *Final Review*.

17.4.1.1 Dates and Comments


The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and indicating whether or not there is a transfer to Non-Profit.


The screenshot shows the iREMS web application interface. At the top, there are navigation tabs: 'Contract Processing List', 'Function Detail', 'Comparability Study Selection', 'Input Rents', 'Eligibility', 'Rents', and 'Final Review'. The 'Function Detail' tab is active. Below the tabs, the page title is 'Dates and Comments'. The main content area contains several fields: 'Surviving Contract: OH10M000330', 'Function Type: Renewal', 'Effective Date: 09/01/2011', 'Stage: N/A', 'Action: FY 2011 - 1a: Mark-Up-To-Market Eligibility', and 'ARAMS Status: Pending'. There is a 'Renewal Contract' dropdown menu set to 'Basic Renewal Contract'. Below this is a 'Contract/Stage Date Information' section with fields for 'Contract Effective Date' (09/01/2011), 'Length of Contract in Months' (12), and 'Contract Expiration Date' (08/31/2012). There is also a 'Reason for Short-term Renewal' dropdown and a 'Decision Comments' text area. At the bottom, there is a 'Transfer to Non-Profit' section with radio buttons for 'Organization Eligible for Non-Profit' (Eligible, Not Eligible, Unconfirmed) and 'Organization is Community Oriented' (Yes, No, Unconfirmed). The page has 'Save' and 'Reset' buttons at the bottom right.

Figure 17-11. Dates and Comments Option 1a


To enter information on the Dates and Comments page for Option 1a:

1. From the **Contract Processing List** page, highlight and click on the current renewal and the **Dates and Comments** page displays.
2. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Contract Effective Date (calendar)*
 - *Length of Contract in Months*

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract I Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments
- Organization is Eligible for Non-Profit, select radio button
- Organization is Community Oriented, select radio button

3. Click on  to save the information.

17.4.1.2 Comparability Study Selection

Contracts that renew for the first time under Option 1a/1b or Option 2 are required to submit a RCS. For the purpose of contract renewals following, the RCS is valid for a period of five years. Owners are required to submit a new RCS at the end of the five-year period. If HUD believes that contract rents have significantly exceeded comparable market rents, HUD may request one updated RCS during the five-year period.

RCS information is stored at the property level. If a current RCS exists for a property, you can view it by selecting the *Comparability Study Selection* link from the **Function Detail** tab. The record displays on the **Comparability Study Selection** page in a table. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank and you must add one. To add an RCS you must use the *Comparability Studies* option from the **iREMS** sidebar. Once an RCS is entered for a property, it displays in the table on the **Comparability Study Selection** page.

Adding a comparability study for a property is done via the pages accessed by the *Comparability Studies* option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Studies* for detailed instructions.

To select a Comparability Study for Option 1a:

1. From the *Function Detail* tab click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD 92273	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2014	10/01/2013	Owner		No	0	1077
<input type="checkbox"/>						1	1185

Figure 17-12. Comparability Study Selection for Option 1a

2. Select the checkbox next to the study in the table.
3. Click on **Save** and the save was successful message displays.

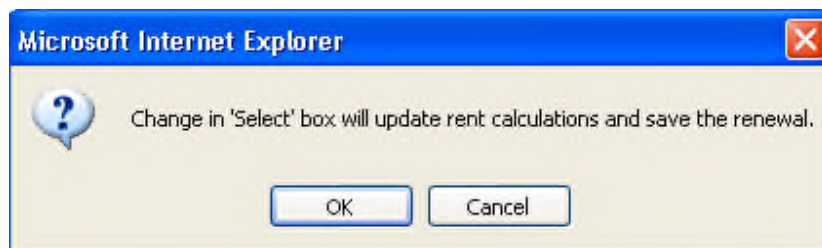



Figure 17-13. Confirmation Dialog box

4. Click on **OK** to save or **Cancel** to reset the selection.

17.4.1.2.1 Viewing Unit/Bedroom Type for an Existing Comparability Study

To view unit or bedroom information for an existing comparability study, select the study in the Comparability Study table and the **Comparability Study Detail** page for that study displays. The **Comparability Study Detail** page displays the following fields: *Fiscal Year*, *Date HUD Form 92273 Signed by Appraiser*, *Comparability Study Submitted (to HUD) Date*, *Comparability Study Source*, *Comparability Study Reviewed (by HUD) Date*, *Date Accepted/Approved by HUD*, and *Comparable Rents*. The Comparable Rents information is displayed in a table with the following columns: *Unit/Bedroom Type*, *Comparable Rent (Monthly)*, and *Unit Description*.

 *Note: Any comparability study that is associated to a contract process that is locked by ARAMS cannot be edited. All fields display as view-only.*

To access detailed information on the Comparability Study:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Comparability Study Detail [Save] [Reset] [Back] [Adjust Comp Rents by OCAF]

Surviving Contract: FL29T851043 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 1a: Mark-Up-To-Market Eligibility
 Effective Date: 01/31/2014 ARAMS Status:

Fiscal Year: 2014
 Date HUD Form 92273 Signed by Appraiser: 10/01/2013
 Comparability Study Submitted (to HUD) Date: 10/04/2013
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 10/08/2013
 Date Accepted / Approved by HUD: 10/11/2013
 Auto OCAF Created: No

Comparable Rents: [Add Comparable Rent]

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
0	1077	studio
1	1185	one BR

Figure 17-14. Comparability Study Detail page

2. Click on **Back** to return to the **Comparability Study Selection** page.

To adjust Comparability Rents by OCAF:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Comparability Study Detail [Save] [Reset] [Back] [Adjust Comp Rents by OCAF]

Surviving Contract: FL29T851043 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 1a: Mark-Up-To-Market Eligibility
 Effective Date: 01/31/2014 ARAMS Status:

Fiscal Year: 2014
 Date HUD Form 92273 Signed by Appraiser: 10/01/2013
 Comparability Study Submitted (to HUD) Date: 10/04/2013
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 10/08/2013
 Date Accepted / Approved by HUD: 10/11/2013
 Auto OCAF Created: No

Comparable Rents: [Add Comparable Rent]

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
0	1077	studio
1	1185	one BR

Figure 17-15. Comparability Study Detail page

2. Click on **Adjust Comp Rents by OCAF** and the following message displays:

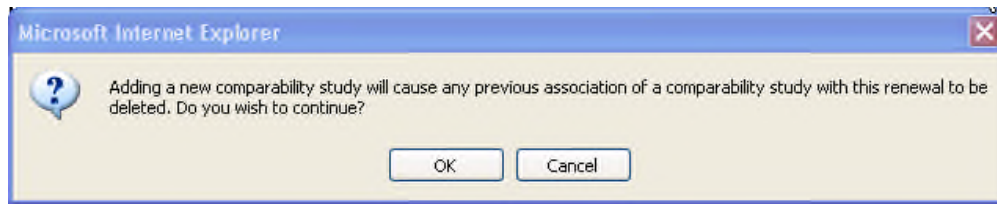
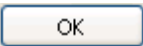



Figure 17-16. Confirmation message

- Click on  and the save was successful message displays on the **Comparability Study Detail** page.

17.4.1.3 Input Rents

You can add a new rent record or overwrite existing records in the rent table with the existing rents in TRACS. Renewal Options 1a and 1b have two links for detailed rent information. The **Input Rents** page displays rent information in a table format. This information includes *unit/bedroom type, number of units, current gross rent at expiration, new authorized gross rents (236 & BMIR), owner's comparable gross rent, HUD's comparable gross rent, fair market rents (FMR), and monthly/annual rent potentials.*

A  button displays above the Input Rents table. This function overlay the rent information displayed in the table with the current rent values from TRACS. These rents are also displayed on the Rent (TRACS) page when you select Property Attributes from the **iREMS** sidebar in the **Asset Management** business area.

To add rent information:

- From the **Dates and Comments** page, click on the **Input Rents** tab and the **Input Rents** page displays.

Input Rents [Save] [Reset]

Surviving Contract: FL29T851043 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 1a: Mark-Up-To-Market Eligibility
 Effective Date: 01/31/2014 ARAMS Status:

Add New Rent Record **Overlay Rents with Current Rents from TRACS**

Unit Type	# of Units	Current Gross Rent at Expiration	New Authorized Gross Rent (236 & BMIR)	Owner's Comp. Gross Rent	HUD's Comp. Gross Rent	FMR
0	0	1052		1113		719
0	24	1064		1117		719
1	0	1146		1231		876
1	27	1170		1246		876
Rent Potentials						
Monthly		57126		60450		40908
Annual		685512		725400		490896

Figure 17-17. Input Rents page

- Click on  and the **Input Rents Detail** section displays.

Figure 17-18. Input Rents Detail

3. Enter the following information:

- *Unit/Bedroom Type*

Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.

- *Unit/Bedroom Type Description*
- *New Authorized Rent (236 and BMIR)*
- *Fair Market Rent*

4. Click on **Save** and the save was successful message displays.

To update rent information:

Note: You can update all renewal rent records, including those created by the interface with TRACS.

1. From the **Input Rents** page, click on the desired link in the Unit Type field and the corresponding **Input Rent** pop up page displays.
2. Enter the new data.
3. Click on **Save** and the save was successful message displays.

To delete rent information:

You can delete renewal rent information that you have entered. You cannot delete renewal rent information that is created by the interface with TRACS. Deleting information from the **Input Rents** page also deletes the corresponding Calculated & Renewal Rents record.

The **Delete** button displays only on records that have been previously saved.

Note: The delete function should be used only to remove incorrect data. Do not delete accurate existing information.

1. From the **Input Rents** page, click on the desired link in the Unit Type field and the corresponding **Input Rent** page displays.
2. Click on **Delete** and the delete confirmation dialog box displays.

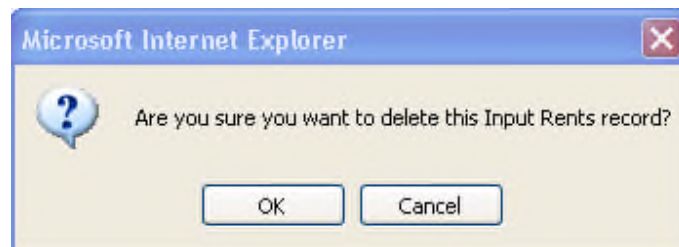


Figure 17-19. Delete Confirmation message

3. Click on **OK** to delete and the **Input Rents** page displays with a message that the delete was successful.

To Overlay the Rents with Current Rent Values from TRACS:

Note: This function replaces the information that is displayed in the rents table on the Input Rents page. It does not add a row to the table.

1. From the **Input Rents** page, click on **Overlay Rents with Current Rents from TRACS** and the update confirmation dialog box displays.



- #### 17.4.1.4 Eligibility

To enter Eligibility information:

- | | | | | |
|--|--|---|---|--|
| Portfolio/Dashboard
Assistance Contracts
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout | Section 8 Contract Processing List | FRAC Contract Processing List | Function / Contract Selection | Function Detail |
| | Dates and Comments Comparability Study Selection Input Rents Eligibility Rents Final Review | | | |
| | Eligibility | | | |
| | Surviving Contract: FL20T851043
Function Type: Renewal
Effective Date: 01/31/2014 | | | Stage: N/A
Action: FY 2014 - 1a: Mark-Up-To-Market Eligibility
ARAMS Status: |
| | Mark-Up-to-Market Eligibility
Total Units in Property: 52
Section 236, 515 & BMIR Properties Only
Annual IRP Amount: <input type="text" value="0.00"/>
Original Market Interest Rate: <input type="text" value="0.0000"/>
Subsidized Interest Rate: <input type="text" value="0.0000"/>
(Usually 1% for 236 & FIM-HA, 3% for BMIR)
Unpaid Principle Balance: <input type="text" value="5422492.20"/> | | | |
| | Initial Eligibility for Mark-Up-To Market
Annual Rent Potential for all Section 8 Units included in the Current Renewal: <input type="text" value="654228.00"/>
Annual Comparable (Owner's) Rent Potential for Units Included in Current Renewal: <input type="text" value="694116.00"/>
Owner's Comparable Rent Potential is 106.10% of Current Rent Potential.
Annual Annual Gross Comparable Rent Potential: <input type="text" value="725400.00"/>
According to Initial Eligibility, the Contract is: Below Market
Owner's Comparable Gross Rent Potential is 141.17% of FMR.
The Property is initially considered for Mark-Up-To Market: Eligible | | | |
| | HUD's Comparability Study Comparison
Annual Comparable (HUD's) Rent Potential for Units Included in Current Renewal: 0.00
HUD's Comparable Rent Potential is 0.00% of Current Rent Potential.
HUD's Annual Gross Comparable Rent Potential: 0.00
According to Comparability Study, the Contract is: Unconfirmed
HUD's Comparable Gross Rent Potential is 0.00% of FMR.
The Property is considered for Mark-Up-To Market: Unconfirmed | | | |
| | Final Comparable Rents
Owner's Comparable Rent Potential is 0.00% of HUD's.
Final Comparable Market Rents are 100% of Owner's Comparable Rents. | | | |
| | Section 236, Section 221(d)(3) BMIR, FMHA
Final Comparable Rent Potential is 147.77% of FMR.
Capped Comparable Gross Rents are 100% of Final Comparable Gross Rents
Annual Interest Subsidy: 0
Interest Subsidy Adjustment Factor: 0.0000
Increased Annual Distribution
(Annual New Contract Rent Potential - Annual New Authorized Rent Potentials): 0 | | | |
| | Other New Construction/Sub-Rehab
Final Comparable Rent Potential is 147.77% of FMR.
New Section 8 Gross Rents are 100% of Final Comparable Rents.
Increased Annual Distribution
(Annual New Contract Rent Potential - Annual New Authorized Potentials): 0 | | | |

Figure 17-21. Eligibility page

2. Enter the following information:

- Annual IRP Amount, (Section 236, 515, or BMIR Properties)
- Original Market Interest Rate, (Section 236, 515, or BMIR Properties)
- Subsidized Interest Rate, (Section 236, 515, or BMIR Properties)
- Unpaid Principal Balance, (Section 236, 515, or BMIR Properties)
- Annual Rent Potential for all Section 8 Units Included In Current Renewal
- Annual Comparable (Owner's) Rent Potential for Units Included in Current Renewal
- Owner's Annual Gross Comparable Rent Potential

3. Click on **Save** and the save was successful message displays.

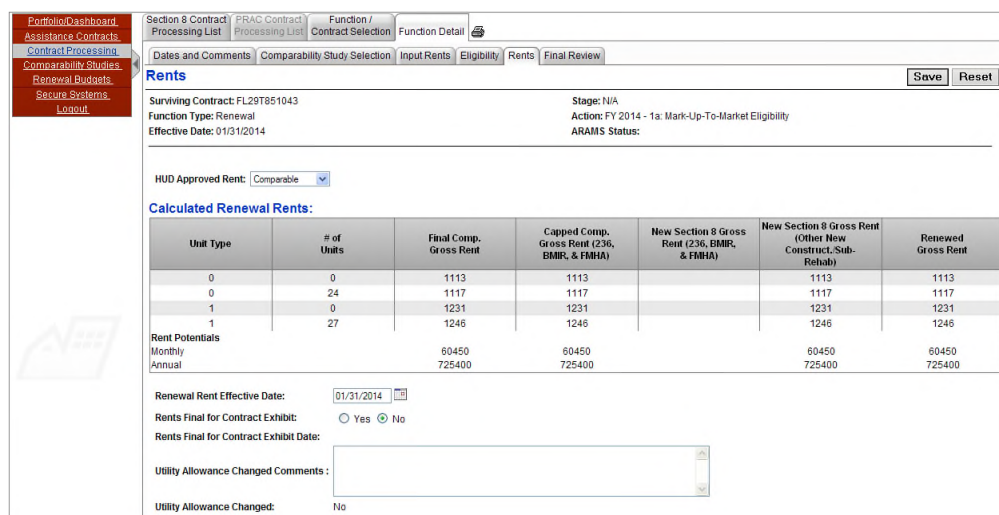
If there is a discrepancy in the amounts in the Owner Comparable Rent Potential in the Eligibility section vs. the Input Rent table, iREMS gives an option to automatically populate the amount in the Eligibility section correctly. This discrepancy can occur if the comps are not associated or if only part of the unit comps are selected where there are multiple of the same unit type.

17.4.1.5 Rents

The Calculated Renewal Rents table allows you to view the results of the Mark-Up-To-Market calculations and to update the final renewal rents and utility allowance amounts, if applicable. The **Input Rents** page must be completed, with the RCS information, before the calculations can be done by the system. The information displayed in the **Calculated Renewal Rents** page are system-generated, however, you can update the renewed rent and the renewed utility allowance amounts on the related rent detail page, if applicable.

To enter Calculated Renewal Rent information:

1. From the **Dates and Comments** page in the *Function Detail* tab, click on the **Rents** tab and the **Rents** page displays with the Calculated Renewal Rents table.



Rents [Save] [Reset]

Surviving Contract: FL29T851043 Stage: N/A
Function Type: Renewal Action: FY 2014 - 1a: Mark-Up-To-Market Eligibility
Effective Date: 01/31/2014 ARAMS Status:

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Final Comp. Gross Rent	Capped Comp. Gross Rent (236, BMIR, & FMRHA)	New Section 8 Gross Rent (236, BMIR, & FMRHA)	New Section 8 Gross Rent (Other New Construct, Sub- Rehab)	Renewed Gross Rent
0	0	1113	1113		1113	1113
0	24	1117	1117		1117	1117
1	0	1231	1231		1231	1231
1	27	1246	1246		1246	1246
Rent Potentials						
Monthly		60450	60450		60450	60450
Annual		725400	725400		725400	725400

Renewal Rent Effective Date:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed:

Figure 17-22. Rents page

- Click on the unit type link and the **Calculated Renewal Rent Detail** section displays.

Figure 17-23. Calculated Renewal Rent Detail

- Enter the following information:
 - Number of units*
 - Energy Adjustment Amount Applied to Final Rent*
 - Renewed Rent*
 - Renewed Utility Allowance (if separate from rent)*

Note: A value must be entered in the Renewed Utility Allowance (if separate from rent) field. If the current utility allowance is not being renewed or increased, re-enter the current amount. Leaving the field blank or entering a value of zero overrides the current utility allowance.

- Click on **Save** to save the data. The save was successful message displays.

To update Calculated Renewal Rents Information:

- From the **Dates and Comments** page in the *Function Detail* tab, click on the *Rents* tab and the **Rents** page displays.
- Highlight and click on the unit type and the Calculated Renewal Rent Detail page displays.
- Enter the new data.
- Click on **Save** the save was successful message displays.

To delete Calculated and Renewed Rents Information:

1. From the Function Detail tab, click on the *Rents* tab and the **Rents** page displays with the Calculated Renewal Rent table.
2. Click on the desired link in the *Unit Type* field and the corresponding Calculated Renewal Rent Detail pop up page displays.
3. Click on and the delete confirmation dialog box displays.



Figure 17-24. Delete Confirmation Dialog box

4. Click on and the delete was successful message displays.

17.4.1.6 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.2 Option 1b: Discretionary Authority Eligibility Mark-up to Market

An owner may request to enter into the Mark-Up-To-Market program at the expiration of a Section 8 contract. Rents may be renewed above the cap of comparable market rents or 150% of the Fair Market Rent (FMR). All properties that meet the following criteria are eligible for the Mark-Up-To-Market Discretionary Authority Eligibility program for contract renewal:

- Vulnerable populations
- Low vacancy market area
- High priority for local community

Note: HUD has discretionary authority to qualify nonprofit owners that meet certain criteria, or other properties that do not qualify according to the above requirements, for the Mark-Up-To-Market contract renewal program.

For detailed information on which properties are eligible for Option 1b, please refer to the *HUD Section 8 Renewal Policy* and any related attachments.

The **1b. Discretionary Authority Mark-Up-To-Market** page allows you to enter and associate two comparability studies (owner's and HUD's), enter renewal rents, and determine eligibility for the Mark-Up-To-Market program. Once you enter the information from the RCS (owner's and HUD's), **iREMS** calculates the final comparable market rents and determines the final eligibility. You can also enter information on Section 236, 515, and BMIR properties, as well as the renewal effective date and the length of the renewal, and any related comments. Once the Option 1b renewal information is complete in **iREMS**, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by **ARAMS**.

17.4.2.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and indicating the criteria the property meets to qualify for option 1b.


To enter information in the Dates and Comments page for Option 1b:


1. Click on the *Function Detail* tab and the **Dates and Comments** page displays.

Figure 17-25. Dates and Comments for Option 1b

2. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)

- *Vulnerable Populations*, radio button
- *Vacancy Rates*, radio button
- *Community Support*, radio button
- *Has owner met criteria to request increase above the cap on comparable rents of 158% of FMR?*, select radio button
- *Contract Effective Date*
- *Length of Contract in Months*

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract I Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- *Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)*
- *Decision Comments*

3. Click on  to save the information.

Alternative option

Click on  to return the fields to blank, or to the previously saved information.

17.4.2.2 Comparability Study Selection

Contracts that renew for the first time under Option 1a/1b or Option 2 are required to submit a RCS. For the purpose of subsequent contract renewals, the RCS is valid for a period of five years. Owners are required to submit a new RCS at the end of the five-year period. If HUD believes that contract rents have significantly exceeded comparable market rents, HUD may request one updated RCS during the five-year period.

RCS information is stored at the property level. If a current RCS exists for a property, the record displays on the **Comparability Study Selection** page in a table. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank. To add an RCS you must use the Comparability Studies option from the **iREMS** sidebar. Once an RCS is entered for a property, it displays in the table on all of the **Function Detail** pages for any of the renewal options that include **Comparability Study Selection** as one of the links at the top of the page.

Adding a comparability study for a property is done via the pages accessed by the Comparability Studies option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Study* for detailed instructions.

To Select a Comparability Study:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2014	10/01/2013	Owner		No	0	1077
<input type="checkbox"/>						1	1185

Figure 17-26. Comparability Study Selection for Option 1b

3. Click in the Select checkbox next to the comparability study and the following pop-up displays:

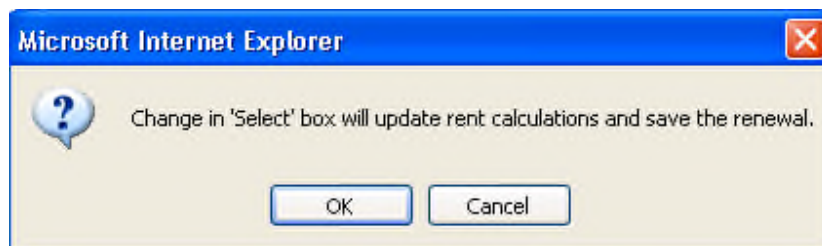



Figure 17-27. Confirmation Dialog box

4. Click on **OK** to save or **Cancel** to reset the selection.
5. Click on **Save** and the Save was successful message displays.

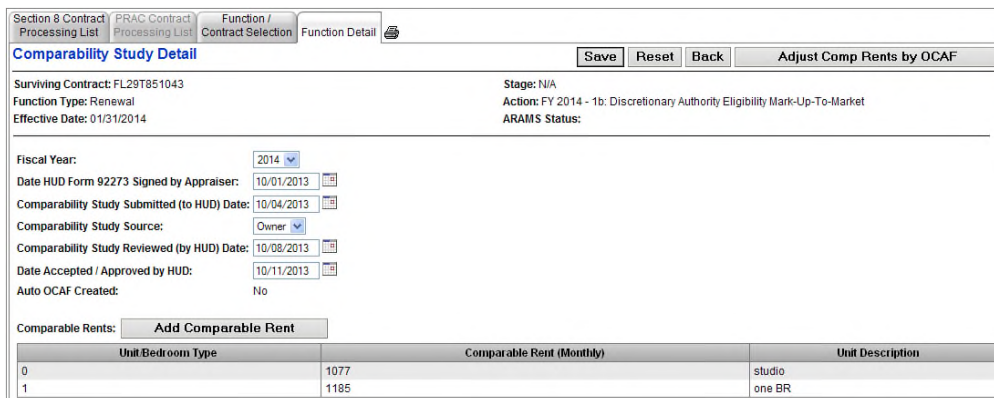
17.4.2.2.1 Viewing Comparability Study Detail Information:

To view unit or bedroom information for an existing comparability study, select the study in the Comparability Study table and the **Comparability Study Detail** page for that study displays. The **Comparability Study Detail** page displays the following fields: *Fiscal Year*, *Date HUD Form 92273 Signed by Appraiser*, *Comparability Study Submitted (to HUD) Date*, *Comparability Study Source*, *Comparability Study Reviewed (by HUD) Date*, *Date Accepted/Approved by HUD*, and *Comparable Rents*. The Comparable Rents information is displayed in a table with the following columns: *Unit/Bedroom Type*, *Comparable Rent (Monthly)*, and *Unit Description*.

 *Note: Any comparability study that is associated to a contract process that is locked by ARAMS cannot be edited. All fields display as view-only.*

To access detailed information on the Comparability Study:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.



Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Comparability Study Detail [Save] [Reset] [Back] [Adjust Comp Rents by OCAF]

Surviving Contract: FL29T851043 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 1b: Discretionary Authority Eligibility Mark-Up-To-Market
 Effective Date: 01/31/2014 ARAMS Status:

Fiscal Year: 2014
 Date HUD Form 92273 Signed by Appraiser: 10/01/2013
 Comparability Study Submitted (to HUD) Date: 10/04/2013
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 10/08/2013
 Date Accepted / Approved by HUD: 10/11/2013
 Auto OCAF Created: No

Comparable Rents: [Add Comparable Rent]

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
0	1077	studio
1	1185	one BR

Figure 17-28. Comparability Study Detail page

2. Click on **Back** to return to the **Comparability Study Selection** page.

17.4.2.3 Input Rents

The **Input Rents** page displays rent information in a table format. You can add, update or delete rent records from this page. Renewal Options 1a and 1b have two links for detailed rent information. This information includes unit/bedroom type, number of units, current gross rent at expiration, new authorized gross rents (236 & BMIR), owner's comparable gross rent, HUD's comparable gross rent, fair market rents (FMR), and monthly/annual rent potentials.

A **Overlay Rents with Current Rents from TRACS** button displays above the Input Rents table. This function overlay the rent information displayed in the table with the current rent values from TRACS, which are displayed on the Rent (TRACS) page when you select Property Attributes from the iREMS sidebar.

To add rent information:

1. From the **Dates and Comments** page, click on the *Input Rents* tab and the **Input Rents** page displays.

Unit Type	# of Units	Current Gross Rent at Expiration	New Authorized Gross Rent (236 & BMIR)	Owner's Comp. Gross Rent	HUD's Comp. Gross Rent	FMR
0	0	1052		1113		719
0	24	1064		1117		719
1	0	1146		1231		876
1	27	1170		1246		876
Rent Potentials						
Monthly		57126		60450		40908
Annual		685512		725400		490896

Figure 17-29. Input Rents page

- Click on **Add New Rent Record** and the **Input Rents Detail** pop up displays.

Figure 17-30. Input Rents Detail

- Enter the following information:


- Unit/Bedroom Type*


Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.

- Unit/Bedroom Type Description*
- New Authorized Rent (236 and BMIR)*
- Fair Market Rent*

- Click on **Save** and the save was successful message displays.


To update rent information:


 *Note: You can update all renewal rent records, including those created by the interface with TRACS.*


1. From the **Input Rents** page, click on the desired link in the Unit Type field and the corresponding **Input Rent** page displays.
2. Enter the new data.
3. Click on  and the save was successful message displays.

To delete rent information:

You can delete renewal rent information that you have entered. You cannot delete renewal rent information that is created by the interface with TRACS. Deleting information from the **Input Rents** page also deletes the corresponding Calculated & Renewal Rents record.

The  button displays only on records that have been previously saved.

 *Note: The delete function should be used only to remove incorrect data. Do not delete accurate existing information.*

1. From the **Input Rents** page, click on the desired link in the Unit Type field and the corresponding **Input Rent** page displays.
2. Click on  and the delete confirmation dialog box displays.

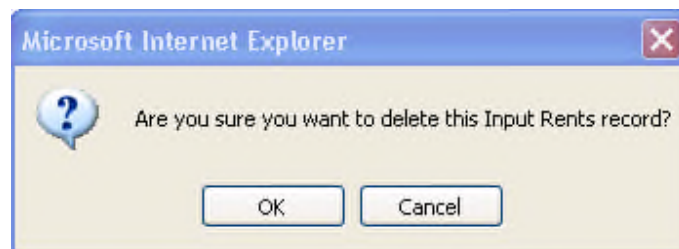



Figure 17-31. Delete Confirmaton Dialog box

3. Click on  to delete and the **Input Rents** page displays with a message that the delete was successful.

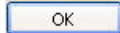
To Overlay the rents with current rent values from TRACS:

 *Note: This function replaces the information that is displayed in the rents table on the Input Rents page. It does not add a row to the table.*

1. From the **Input Rents** page, click on  and the update confirmation dialog box displays.



Figure 17-32. Confirmation Dialog box

2. Click on  to overlay the rents and a message that the save was successful displays.

17.4.2.4 Eligibility

Contracts that renew for the first time under Option 1a/1b are required to submit a Rent Comparability Study (RCS). The owner can use an existing RCS adjusted by (OCAF) to establish initial eligibility. Eligibility information is entered on the Eligibility pages.

To enter Eligibility information:

1. From the *Function Detail* tab, click on the *Eligibility* tab and the **Eligibility** page displays.

Home/Dashboard Assistance Contracts Contract Processing Comparability Studies Renewal Budgets Service Systems Logout	Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail
	Dates and Comments Comparability Study Selection Input Rents Eligibility Rents Final Review
	<div>Save Reset</div>
	Surviving Contract: FL29T851043 Function Type: Renewal Effective Date: 01/31/2014
	Stage: N/A Action: FY 2014 - 1b: Discretionary Authority Eligibility Mark-Up-To-Market ARAMS Status:
	Mark-Up-to-Market Eligibility Total Units in Property: 52
	Section 236, 515 & BMIR Properties Only Annual IRP Amount: <input type="text" value="0.00"/> Original Market Interest Rate: <input type="text" value="0.0000"/> Subsidized Interest Rate: <input type="text" value="0.0000"/> (Usually 1% for 236 & FMHA, 3% for BMIR) Unpaid Principle Balance: <input type="text" value="5422492.20"/>
	Initial Eligibility for Mark-Up-To-Market Annual Rent Potential for all Section 8 Units Included in the Current Renewal: <input type="text" value="654228.00"/> Annual Comparable (Owner's) Rent Potential for Units Included in Current Renewal: <input type="text" value="694116.00"/> Owner's Comparable Rent Potential is 106.10% of Current Rent Potential. Owner's Annual Gross Comparable Rent Potential: <input type="text" value="725400.00"/> According to Initial Eligibility, the Contract is: Owner's Comparable Gross Rent Potential is 147.77% of FMR. The Property is initially considered for Mark-Up-To-Market: Eligible
	HUD's Comparability Study Comparison Annual Comparable (HUD's) Rent Potential for Units Included in Current Renewal: 0.00 HUD's Comparable Rent Potential is 0.00% of Current Rent Potential. HUD's Annual Gross Comparable Rent Potential: 0.00 According to Comparability Study, the Contract is: Unconfirmed HUD's Comparable Gross Rent Potential is 0.00% of FMR. The Property is considered for Mark-Up-To-Market: Unconfirmed
	Final Comparable Rents Owner's Comparable Rent Potential is 0.00% of HUD's. Final Comparable Market Rents are 100% of Owner's Comparable Rents.

Figure 17-33. Eligibility

- Enter the following information:
 - Annual IRP Amount, (Section 236, 515, or BMIR Properties)
 - Original Market Interest Rate, (Section 236, 515, or BMIR Properties)
 - Subsidized Interest Rate, (Section 236, 515, or BMIR Properties)
 - Unpaid Principal Balance, (Section 236, 515, or BMIR Properties)
 - Annual Rent Potential for all Section 8 Units Included In Current Renewal
 - Annual Comparable (Owner's) Rent Potential for Units Included in Current Renewal
 - Owner's Annual Gross Comparable Rent Potential
- Click on **Save** and the save was successful message displays.

To Update Eligibility information:

- From the *Function Detail* tab, click on the *Eligibility* tab and the **Eligibility** page displays.
- Enter the new data.
- Click on **Save** the save was successful message displays.

17.4.2.5 Rents

The Calculated Renewal Rents table allows you to view the results of the Mark-Up-To-Market calculations and to update the final renewal rents and utility allowance amounts, if applicable. The **Input Rents** page must be completed, with the RCS information, before the calculations can be done by the system. The information displayed in the **Calculated Renewal Rents** page are system-generated, however, you can update the renewed rent and the renewed utility allowance amounts on the related rent detail page, if applicable. Please refer to Section 22.4.1.5 for instructions on completing these pages.

To enter Calculated Renewal Rent information:

1. From the **Dates and Comments** page in the *Function Detail* tab, click on the *Rents* tab and the **Rents** page displays with the Calculated Renewal Rents table.

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Final Comp. Gross Rent	Capped Comp. Gross Rent (236, BMIR, & FMHA)	New Section 8 Gross Rent (236, BMIR, & FMHA)	New Section 8 Gross Rent (Other New Construct/Sub-Rehab)	Renewed Gross Rent
0	0	1113	1113		1113	1113
0	24	1117	1117		1117	1117
1	0	1231	1231		1231	1231
1	0	1246	1246		1246	1246
Rent Potentials						
Monthly		60450	60450		60450	60450
Annual		725400	725400		725400	725400

Renewal Rent Effective Date:

Approved by Housing HQ Date:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed:

Figure 17-34. Calculated Renewal Rents page

2. Click on the unit type link and the **Calculated Renewal Rent Detail** page displays.

Calculated Renewal Rent Detail

Unit Type:

Number of Units:

Current Contract Rent at Time of Expiration:

Final Comp Gross Rent:

Capped Comp. Gross Rent (236, BMIR & FMHA):

New Section 8 Gross Rent (236, BMIR & FMHA):

New Section 8 Gross Rent (Other New Construct/Sub-Rehab):

Energy Adjustment Amount Applied to Final Rent:

Renewed Rent:

Renewed Utility Allowance (if separate from rent):

Utility Allowance Effective Date:

Unit/Bedroom Type Description:

Current Utility Allowance (if separate from rent):

Owner's Comparable Rent:


HUD's Comparable Rent:

New Authorized Gross Rent (236 & BMIR):

Fair Market Rent:


Figure 17-35. Calculated Renewal Rent Detail

3. Enter the following information:
 - *Unit type*
 - *Number of Units*
 - *Energy Adjustment Amount Applied to Final Rent*
 - *Renewed Rent*
 - *Renewed Utility Allowance (if separate from rent)*
 - *Unit Bedroom Description*

 *Note: A value must be entered in the Renewed Utility Allowance (if separate from rent) field. If the current utility allowance is not being renewed or increased, re-enter the current amount. Leaving the field blank or entering a value of zero overrides the current utility allowance.*

4. Click on  to save the data. The save was successful message displays.

To update Calculated Renewal Rents Information:

1. From the **Dates and Comments** page in the *Function Detail* tab, click on the *Rents* tab and the **Rents** page displays.
2. Highlight and click on the unit type and the **Calculated Renewal Rent Detail** page displays.
3. Enter the new data.
4. Click on  the save was successful message displays.

To delete Calculated and Renewed Rents Information:


1. From the Function Detail tab, click on the *Rents* tab and the **Rents** page displays with the Calculated Renewal Rent table.
2. Click on the desired link in the *Unit Type* field and the corresponding Calculated Renewal Rent Detail pop up page displays.
3. Click on  and the delete confirmation dialog box displays.



Figure 17-36. Delete Confirmation Dialog box

4. Click on  and the delete was successful message displays.

17.4.2.6 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.3 Option 2: Request Renewal without Restructure at or Below Market Rents

Renewal Option 2 is for owners who request a renewal of their Section 8 contract where the RCS indicates that the contract's current rents are at or below comparable market rents, but who are not applying for Mark-Up-To-Market. Contracts that renew for the first time under Option 2 are required to submit a rent comparability study. For detailed information on Option 2, please refer to HUD Section 8 Renewal Policy and the related attachments.

The **2: Request Renewal without Restructuring at or Below Comparable Rents** page allows you to enter and track renewal information where an owner opts to renew the Section 8 contract at current or below comparable market rents. You can enter the renewal method, comparability study information, renewal budget information; indicate if it has an Exception Project Exempted from Office of Affordable Housing Preservation (OAHP), and whether the renewal is forwarded to OAHP. You can also enter rent information, dispute/appeal comments, HUD approved rent, and any decision comments. Once the Option 2 renewal information is complete in **iREMS**, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

Exception Project Exempted from OAHP

The Exception Project Exempted from OAHP provides the authority to renew projects exempted from OAHP. FHA insured properties that are State or locally financed may be eligible for the Mark-To Market program, and will be referred to OAHP for processing. Please see HUD Renewal Policy 99-36 and the

related attachments for information. The following chart defines the Exception Project Exempted from OAHP:

Exception Project Exempted from OAHP	Definition
Projects financed or insured by state or local government and FHA-insured	Projects for which the primary financing or mortgage insurance was provided by a unit of state government or a unit of general local government (or an agency or instrumentality of either) and is insured under the National Housing Act, and where a mortgage restructuring and rental assistance sufficiency plan conflicts with the local law or agreements governing such financing.
Projects financed under Section 202/8 or 515/8	Projects financed under Section 202 of the Housing Act of 1959 or Section 515 of the Housing Act of 1949 (includes 202/8, 515/8; does not include 202 and 811 Capital Advance projects, which do not have Section 8 contracts).
Projects funded pursuant to Section 441 of the McKinney Act	Projects that have an expiring contract under Section 8 of the United States Housing Act of 1937 pursuant to Section 441 of the Stewart B. McKinney Homeless Assistance Act (SRO Mod Rehab).
MFH Projects not eligible pursuant to Section 512(2) of MAHRA	Projects that do not qualify as eligible multifamily housing projects pursuant to Section 512(2) of MAHRA. For example, a project that is not subject to a HUD-held or insured mortgage, or, a project that has FHA mortgage insurance or is HUD-held with rents at or below comparable market rents.
(A) Projects financed or insured by state or local government and not FHA-insured	Projects for which the primary financing or mortgage insurance was provided by a unit of state government or a unit of general local government (or an agency or instrumentality of either) and is not insured under the National Housing Act. (Examples are uninsured 236 or uninsured 11b projects.)
(B) Projects financed or insured by state or local government and FHA-insured	Projects for which the primary financing was provided by a unit of state government or a unit of general local government (or an agency or instrumentality of either) and the financing involves mortgage insurance under the National Housing Act, such that the implementation of a mortgage restructuring and rental assistance sufficiency plan under this act is in conflict with applicable law or agreements governing such financing. (Example: insured 11b projects.)
(C) Projects financed under Section 202/8 or 515/8	Projects financed under Section 202 of the Housing Act of 1959 or Section 515 of the Housing Act of 1949. (Includes 202/8, 202, 515/8 - does not include 811's.)
(D) Projects funded pursuant to Section 441 of the McKinney Act	Projects that have an expiring contract under Section 8 of the United States Housing Act of 1937 pursuant to Section 441 of the Stewart B. McKinney Homeless Assistance Act. (SRO Mod Rehab.)
(E) Projects not eligible for Mark-Down-to-Market	Projects that do not qualify as eligible multifamily housing projects pursuant to Section 515(2) of MAHRA. (Examples of projects that qualify under this category would be (1) a project that is not insured or (2) a project that has FHA mortgage insurance with rents under comparable market rents.) In order for an owner of an insured project to claim eligibility under this provision, they must obtain a rent comparability study.

17.4.3.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP information.

Figure 17-37. Dates and Comments page


To enter information in the Dates and Comments page for Option 2:

1. Click on the *Function Detail* tab and the **Dates and Comments** page displays.
2. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Exception Project Exempted from OAHP*, select from drop-down list
 - *Annual Financial Statement Required to be Submitted to HUD?*, select radio button
 - *Contract Effective Date*


Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.

- *Length of Contract in Months*

Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to “Yes”.

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments

3. Click on  to save the information.

17.4.3.2 Comparability Study Selection

Contracts that renew for the first time under Option 1a/1b or Option 2 are required to submit a RCS. For the purpose of subsequent contract renewals, the RCS is valid for a period of five years. Owners are required to submit a new RCS at the end of the five-year period. If HUD believes that contract rents have significantly exceeded comparable market rents, HUD may request one updated RCS during the five-year period.

RCS information is stored at the property level. If a current RCS exists for a property, the record displays in a table when you select the **Comparability Study** link on the **Function Detail** page. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank. To add an RCS you must use the **Comparability Studies** option from the **iREMS** sidebar. Once an RCS is entered for a property, it displays in the table on all of the **Function Detail** pages for any of the renewal options that include **Comparability Study Selection** as one of the links at the top of the page.

Adding a comparability study for a property is done via the pages accessed by the **Comparability Studies** option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Studies* for detailed instructions.

To Select a Comparability Study

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Figure 17-38. Comparability Study Selection page

3. Click in the Select checkbox next to the comparability study and a pop-up displays.
4. Click on **OK** to save or **Cancel** to reset the selection.
5. Click on **Save** and the Save was successful message displays.

To Adjust Rents by OCAF

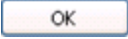

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.
3. Highlight and click on the comparability Study record and the **Comparability Study Detail** page displays.

Figure 17-39. Comparability Study Detail page

4. Click on **Adjust Comp Rents by OCAF** and the following pop up window displays.



Figure 17-40. Dialog box

5. Click .
6. Click on  to return to the **Comparability Study Selection** page.

To update information on the Comparability Study Selection page:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input type="checkbox"/>	2013	09/09/2010	Owner		Yes	1	745

Figure 17-41. Comparability Study Selection page

3. Update the following information:
 - *Comparability Study Required, radio button*
 - *Type of Alternative to Comparability Study Used, drop-down*
4. Highlight and click on the comparability study and the **Comparability Study Detail** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Comparability Study Detail Back Adjust Comp Rents by OCAF

Surviving Contract: FL290046007 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
 Effective Date: 06/01/2014 ARAMS Status:

Fiscal Year: 2013
 Date HUD Form 92273 Signed by Appraiser: 09/08/2010
 Comparability Study Submitted (to HUD) Date: 09/20/2010
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 03/31/2011
 Date Accepted / Approved by HUD: 03/31/2011
 Auto OCAF Created: Yes

Comparable Rents:

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
1	745	

Figure 17-42. Comparability Study Detail page

5. Update the following information:
 - *Date HUD Form 92273 Signed by Appraise, calendar*
 - *Comparability Study Submitted (to HUD) Date, calendar*
 - *Comparability Study Source, drop down*
 - *Comparability Study Reviewed(by HUD) Date, calendar*
 - *Date Accepted/Approved by HUD, calendar*
6. Click on the Add Comparable Rent button to add a rent and the Comparable Rent Detail page displays.

Comparable Rent Detail

Save Reset Close

Unit/Bedroom Type: Comparable Rent:

Unit Description:

Figure 17-43. Comparable Rent Detail page

7. Add the rent information and click on Save. The **Comparable Study Detail** page displays with the save was successful message.

17.4.3.3 Budget Selection

For most properties, iREMS uses the entry of standard renewal budgets, including dates and percentage increases related to the rent and the utility allowance to calculate the budget-based adjusted rents and the related rent potential. However, for certain properties (i.e., those with 515/8 financing) a Rural Housing

Service (RHS) budget is appropriate instead. These budgets usually provide the adjusted rent by the unit type, rather than a standard percentage.

Renewal budget information is stored at the property level. If a current renewal budget record exists for a property, the record displays both on the **Renewal Budget List** page and on the **Budget Selection** page.

To Select the Budget Selection page:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Budget Selection* tab and the **Budget Selection** page displays.

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input type="checkbox"/>	2014	10/18/2013	6.50	1	0
				1	779
				1	0

Figure 17-44. Budget Selection page

3. Update the following information:
 - *Renewal Budget Required*, radio button
 - *Renewal Budget Type*, drop-down

4. Click on **Save**.

To update detailed information on the Budget Selection page:

1. From the **Budget Selection** page, highlight and click on the Renewal Budget record and the **Renewal Budget Detailed** page displays.

Section 8 Contract Processing List		PRAC Contract Processing List		Function / Contract Selection		Function Detail	
Renewal Budget Detail							
Budget Prepared Date:	10/01/2013						
Fiscal Year:	2014						
Budget Submitted (to HUD) Date:	10/08/2013						
Budget Reviewed (by HUD) Date:	10/15/2013						
Budget Accepted/Approved (by HUD) Date:	10/18/2013						
Budget-Based Rents % Increase/Decrease	0.0650						
Budget-Based Utility Allowance % Increase	0.0000						

Figure 17-45. Budget Selection page

- Update the required fields and click on **Save**. The save was successful message displays.
- Click on **Back** and you will be returned to the **Budget Selection** page.

17.4.3.4 OCAF

The **OCAF** page for **2: Request Renewal Without Restructuring at or Below Comparable Rents** renewals calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

To enter OCAF information:


- From the **Dates and Comments** page, click on the **OCAF** tab and the OCAF page displays.


Portfolio Dashboard Assistance Contracts		Section 8 Contract Processing List		PRAC Contract Processing List		Function / Contract Selection		Function Detail	
OCAF Save Reset									
Surviving Contract: FL290046007 Function Type: Renewal Effective Date: 06/01/2014					Stage: N/A Action: FY 2014 - 2: Request Renewal Without Restructuring at or Below Comparable Rents ARAMS Status:				
OCAF Rent Adjustments									
Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process:					175440.00				
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:					178800.00				
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):					0.00				
Annual Rent Potential Non-Section 8 Units:					0.00				
Annual Project Rent Potential:					175440.00				
Expiring Section 8 Portion of Total Rent Potential:					1.00				
Annual Project Debt Service:					0.00				
Note: Already includes MIP amount									
Annual Expiring Section 8 Share of Debt Service:					0.00				
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:					175440.00				
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.0000%):					178948.80				
OCAF Adjusted Contract Rent Potential:					178948.80				
Lesser of OCAF or Correlated Comparable Rent Potential:					178800.00				
Rent Increase Factor (Based upon Lesser of OCAF vs. Comps):					1.019				

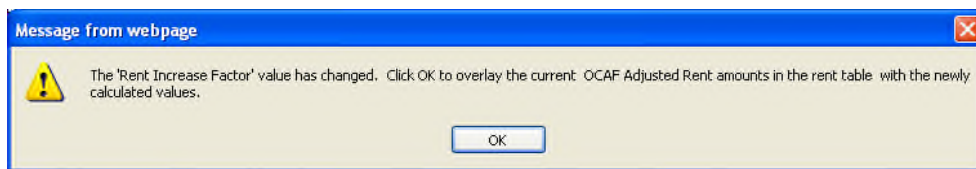
Figure 17-46. OCAF page

2. Enter the following information:


- *Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process*
- *Annual Comparable (Owner's) Rent Potential for Units included in Current Renewal*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included the Current Process)*
- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note:Already includes MIP amount*

 *Note: On loans with an In-Active Financing Instrument, the monthly debt service is calculated to zero. iREMS will not add the Mortgage Insurance Premium (MIP).*


 *Note: When the "Annual Project Debt Service" is changed, the "Rent Increase Factor is automatically changed. The following warning message will display:*



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

3. Click on  and the save was successful message displays.

To Update OCAF information:

1. From the **Dates and Comments** page, click on the *OCAF* tab and the **OCAF** page displays.
2. Enter the new data.
3. Click on  the save was successful message displays.

17.4.3.5 Rents

For standard renewal budgets, the budget-based rents on the **Renewal Rent Detail** page are view only. However, for RHS budgets you have the ability to select the appropriate budget from the drop-down list based upon unit type (i.e., if the unit type is 1 bedroom, then only those RHS budget rents associated to a RHS budget that is associated to the current renewal or amend rents record and have a unit type of 1 will display.) This is similar to the comparable rent functionality. The related utility allowance, as entered

on the **RHS Budget Rent Detail** page displays view only. The utility allowance value is updated on the **RHS Budget Rent Detail** page.

The **Rent** page displays rent information for renewals in a table format. On most option detail pages you can add, update or delete rent information.

A **Overlay Rents with Current Rents from TRACS** button displays above the *Rents* table. This function overlay the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the **iREMS** renewal option detail pages. Any of the renewal option detail pages that display the *Rents* table have pages and functionality that are identical.

To add a new Rent:

1. From the *Function Detail* tab, click on the *Rents* tab and the **Rents** page displays.

Profile/Cashflow
Assessments/Contracts
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review

Rents Save Reset

Surviving Contract: FL290046007 Stage: N/A
Function Type: Renewal Action: FY 2014 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
Effective Date: 06/01/2014 ARAMS Status:

Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: [Dropdown]

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	0	0	745			
1	0	0	745			
1	20	731	745	745	779	
Rent Potentials						
Monthly		14620	14900	14920	15580	
Annual		175440	178800	179040	186960	

Renewal Rent Effective Date: [Date Picker: 06/01/2015]

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00

Date Sent to OAHF: (If rents determined by HUDICA to be over Comparable) [Date Picker]

Reason sent to OAHF: [Dropdown]

Date Review Results Received from OAHF: [Date Picker]

OAHF Results: [Dropdown]

Dispute/Appeal Comments: [Text Area]

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date: [Date Picker]

Utility Allowance Changed Comments: [Text Area]

Utility Allowance Changed: [Dropdown: No]

Figure 17-47. Rents page

2. Click on **Add New Rent Record** and the Calculated Renewal Rent Detail page displays.

Calculated Renewal Rent Detail

Save Reset Close

Unit Type:

Number of Units:

Current Contract Rent at Time of Expiration: 0

Current Utility Allowance (if separate from rent): 0

Comparable(HUD92273) Rent:

OCAF Adjusted Rent:

Budget Based Rent:

Budget Based Utility Allowance (if separate from rent):

Energy Adjustment Amount Applied to Final Rent:

Renewed Rent:

Renewed Utility Allowance (if separate from rent):

Utility Allowance Effective Date:

Unit/Bedroom Type Description:

Figure 17-48. Calculated Renewal Rent Detail page


3. Click on the *Budget-Based Rent* drop down list and select the appropriate budget.
4. Enter the following information:
 - *Unit Type*
 - *Number of Units*
 - *OCAF Adjusted Rent*
 - *Energy Adjustment Amount Applied to Final Rent*
 - *Renewed Rent*
 - *Renewed Utility Allowance (if separate from rent)*
 - *Utility Allowance Effective Date*
 - *Unit/Bedroom Type Description*
5. Click on and the save was successful displays.

17.4.3.6 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.4 Option 3: OAHP

There are three Option 3 choices. Eligible above-market contracts are to be referred to OAHP. **Option 3a: Request Referral to OAHP for Reduction of Contract Rents to Comparable Market Rents** and **Option 3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents** are used for these referrals. An owner with an eligible above-market contract requests either a renewal of the contract without restructuring, with the rents marked down to market, or a mortgage or rent restructuring and contract renewal with the rents marked down to market. **Option 3b: Request Renewal for Full Mark to Market Contract** will be used for the renewals.

 *Note: Option 3 has two Option 3b choices...one for referral to OAHP and one for renewal*

For detailed information on Option 3, please refer to *HUD Section 8 Renewal Policy* and the related attachments.

17.4.5 Option 3a: Request Referral to OAHP for Reduction of Contract Rents to Comparable Market Rents

The **3a: Request Referral to OAHP for Reduction of Contract Rents to Comparable Market Rents** page allows you to enter and track renewal information where an owner requests a referral to OAHP. You can enter the renewal method, comparability study information, the date the renewal is forwarded to OAHP, and the date the review results are received from OAHP. You can also enter rent information, HUD approved rent, and any related comments.

17.4.5.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP date information.

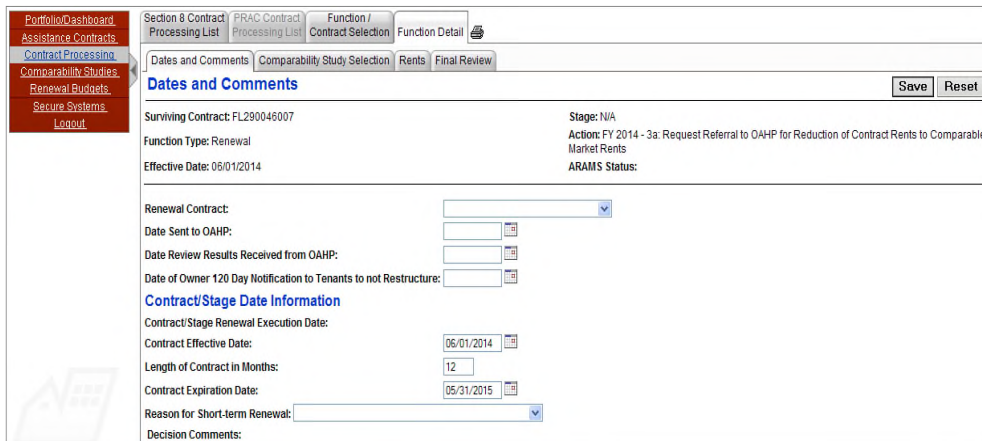



Figure 17-49. Option 3a Dates and Comments page


To enter information in the Dates and Comments page for Option 3a:


1. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Date sent to OAHP*

- *Date Review Results Received from OAHF*
- *Date of owner 120 day notification to tenants to not restructure*
- *Contract Effective Date*


 *Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.*

- *Length of Contract in Months*

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract in Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- *Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)*
- *Decision Comments*

2. Click on  to save the information.

17.4.5.2 Comparability Study Selection

If a current RCS exists for a property, the record displays in a table when you select the **Comparability Study** link on the **Function Detail** page. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank. To add an RCS you must use the **Comparability Studies** option from the **iREMS** sidebar. Once an RCS is entered for a property, it displays in the table on all of the **Function Detail** pages for any of the renewal options that include **Comparability Study Selection** as one of the links at the top of the page.

Adding a comparability study for a property is done via the pages accessed by the Comparability Studies option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Studies* for detailed instructions.

To Select a Comparability Study:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.

- Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Figure 17-50. Comparability Study Selection for Option 3 a or 3b(referral)

- A Comparability study displays if one has been entered. Click in the Select checkbox next to the comparability study and the following pop-up displays:

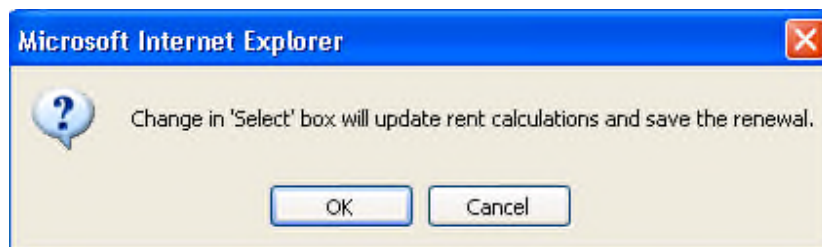


Figure 17-51. Dialog box

- Click on to save or to reset the selection.
- Click on and the Save was successful message displays.

17.4.5.2.1 Viewing Comparability Study Detail Information:

To view unit or bedroom information for an existing comparability study, select the study in the Comparability Study table and the **Comparability Study Detail** page for that study displays. The **Comparability Study Detail** page displays the following fields: *Fiscal Year*, *Date HUD Form 92273 Signed by Appraiser*, *Comparability Study Submitted (to HUD) Date*, *Comparability Study Source*, *Comparability Study Reviewed (by HUD) Date*, *Date Accepted/Approved by HUD*, and *Comparable Rents*. The Comparable Rents information is displayed in a table with the following columns: *Unit/Bedroom Type*, *Comparable Rent (Monthly)*, and *Unit Description*.

Note: Any comparability study that is associated to a contract process that is locked by ARAMS cannot be edited. All fields display as view-only.

To access detailed information on the Comparability Study:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Comparability Study Detail Back Adjust Comp Rents by OCAF

Surviving Contract: FL290046007 Stage: N/A
 Function Type: Renewal Action: FY 2014 - 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
 Effective Date: 06/01/2014 ARAMS Status:

Fiscal Year: 2013
 Date HUD Form 92273 Signed by Appraiser: 09/08/2010
 Comparability Study Submitted (to HUD) Date: 09/20/2010
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 03/31/2011
 Date Accepted / Approved by HUD: 03/31/2011
 Auto OCAF Created: Yes

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
1	745	

Figure 17-52. Comparability Study Detail page

2. Click on **Back** to return to the **Comparability Study Selection** page.

17.4.5.3 Rents

The **Rents** page displays rent information for Option 3 renewals in a table format. On the **Rents** page you can add, update or delete rent information.

A **Overlay Rents with Current Rents from TRACS** button displays above the Rents table. This function overlay the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the REMS renewal option detail pages. Any of the renewal option detail pages that display the Rents table have pages and functionality that are identical.

To add Rents:

1. From the Function/Contract Selection page, click on the Function Detail tab and the Function Detail page displays.
2. Click on the Rents tab and the Rents page displays.

Portfolio/Dashboard
Assistance Contracts
Contract Processing
Comparability Studies
Renewal Rents
Secure Systems
Logout

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Rents

Surviving Contract: FL290046007
Function Type: Renewal
Effective Date: 06/01/2014
Stage: N/A
Action: FY 2014 - 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
ARAMS Status:

Rents: **Overlay Rents with Current Rents from TRACS**

HUD Approved Rent:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	Renewed Rent
1	0	0	745	745
1	0	0	745	745
1	20	731	745	745

Rent Potentials
Monthly: 14620
Annual: 175440

Renewal Rent Effective Date: 06/01/2015

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

Figure 17-53. Rents page

3. Select HUD Approved Rent from the drop-down.
4. Highlight and click on a unit type and the Calculated Renewal Rent Detail page displays.

Calculated Renewal Rent Detail

Unit Type: 1

Number of Units: 20

Unit/Bedroom Type Description:

Current Contract Rent at Time of Expiration: 731

Current Utility Allowance (if separate from rent): 64

Comparable (HUD 92273) Rent: 745

Renewed Rent: 745

Energy Adjustment Amount Applied to Final Rent: 0


Renewed Utility Allowance (if separate from rent): 64

Utility Allowance Effective Date: 06/01/2013

Figure 17-54. Calculated Renewal Rent Detail page

5. Enter the following rent information:
 - *Number of Units*
 - *Unit Bedroom Description*
 - *Renewed Rent*
 - *Energy Adjustment Amount Applied to Final Rent*
 - *Renewed Utility Allowance (if separate from rent)*
6. Click on **Save** and the save was successful message displays.

To Overlay Rents with Current Rents from TRACS

1. From the Dates and Comments page, click on the Rents link and the Rents page displays.
2. Click on  and the following confirmation window displays:

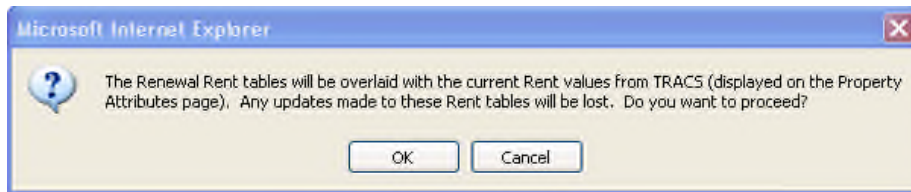
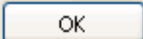


Figure 17-55. Dialog box

3. Click on  and the renewal rent tables are overlaid with the current values from TRACS. A successful TRACS overlay message displays.

17.4.5.4 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.5.5 View Mark-to-Market Critical Dates

The **Functional Detail** page for Option 3 contract processing records contains a *View Mark-to-Market* link for easy access to the **Critical Dates Tracking** page in M2M. All intranet users and external users with at least one CA role have access to this page.

For OAHP renewals (Option 3), the system displays the *View Mark-to-Market* link if the contract number exists in M2M.

To View Critical Dates Tracking from M2M

1. From the **Dates and Comments** page, click on the *View Mark-to-Market* link and the **Critical Dates Tracking** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Rents Final Review

Dates and Comments Save Reset

Surviving Contract: AK020007002 Stage: 2
Function Type: Renewal Action: FY 2014 - 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
Effective Date: 01/01/2033 ARAMS Status:

Renewal Contract:

Date Sent to OAHF:

Date Review Results Received from OAHF:

Date of Owner 120 Day Notification to Tenants to not Restructure:

Contract/Stage Date Information

Contract/Stage Renewal Execution Date:

Contract Effective Date: 01/01/2033

Length of Contract in Months:


Contract Expiration Date:

Reason for Short-term Renewal:

Decision Comments:

[View Mark-to-Market Critical Dates](#)

Figure 17-56. Dates and Comments (View-Mark-to-Market Critical Dates)



Critical Dates Tracking

HEREMS Property ID: 800000159
Primary FHA Number:
Contract Number: AL09L000054
Preservation Office:
HUD Project Manager: MAXIE W WALLS
Debt Restructuring Specialist:

Property Name:
PAE Name:
Renewal Type: Mortgage Restructuring
Portfolio Manager:
Date Assigned:
Re-entered:

Owner Eligibility	Short-Term Contract Renewal	Assignment to PAE	Data Collection	Underwriting	Loan Approval	Closing	Post-Closing
-90	-45	45	65	105	150	210	Days

There are **358** days left until this Section 8 contract expires.
This contract is currently in the **Assignment/Assessment** phase.

Enter all dates in mm/dd/yyyy format.
Click the **Save** button near the bottom of this screen to save all updates/changes.

Original Section 8 Expiration Date (Post MAHRA):
Current Section 8 Expiration Date: 07/31/2009
Field Office Receives Intent to Renew from Owner: 03/03/2006
Field Office Refers to OAHF:
OAHF Receives Referral from Field Office:

Phase: Assignment/Assessment

OAHF Sends List of Potential Assets:
OAHF Approves COI Form 2.2:
PAE's estimated Restructuring Plan (Form 5.2) Submission Date:
Amended PRA Milestone Date Per 2.15 Waiver:
OAHF Places Property On Hold:
Anticipated On Hold Removal Date:
OAHF Removes Property From On Hold:

Reason:

Phase: Data Collection/Due Diligence

Data Collection:
PAE and Owner Have Kickoff Meeting:
PCA Assigned by PAE:
Appraisal Assigned by PAE:
Tenant Meeting - #1:
Owner Submits Data Collection Report:

Due Diligence:

PAE's PCA Complete:
PAE's Appraisal Complete:
PAE Completes Due Diligence:

Phase: Underwriting/Restructuring Plan

Tenant Meeting - #2:
Initial PAE Restructuring Plan Submission to OAHF:
PAE Submits Restructuring Plan to OAHF:
OAHF Receives Complete Restructuring Plan and Form 5.2:
Date Assigned to Underwriter:

Reviewer: **FA Staff No**

Phase: Loan Funding/Approval Process

OAHF Approves Restructuring Plan:
OAHF Returns Restructuring Plan to PAE for Revision:
OAHF Receives PAE resubmission:
Restructuring Commitment Executed by Owner:

Closing Issues:

Additional Funds:
Bond Financing Existing Loan:
236/PP:
TFA:
Co-op:
QNP Debt Relief:

☐
☐
☐
☐
☐
☐

Other Issues:

Mod Rehab:
Bankruptcy:
Awaiting OAHF Policy:
Other:

☐
☐
☐

Phase: Closing and Post Closing

Closing:
OAHF approved 4.11 or 4.12:
Scheduled Closing Date:
Closing Date:
New Section 8 Contract Effective Date:
Section 8 Contract Type:

Post Closing:

Closing Documents Distributed by PAE:
Transmission Memo submitted to Multifamily Housing:
Multifamily indicated no meeting was necessary:
Rehab Escrow Account:

No


Date Action Other than Closing Occurred:
(Use date HUD and other required parties were notified as per HUD Chapter 6)

☐ OAHF Determines Restructuring Plan is Not Feasible Due to Financially Not Viable
☐ Owner Prepaid FHA-Insured Loan (PAE must enter new market rents into Form 5.2)
☐ Ineligible for OAHF - "Bad Owner" Determination
☐ Ineligible for OAHF - Rents below or equal to Market
☐ Ineligible for OAHF - Conflict Between State/Local Financing Documents and Restructuring Plan
☐ Ineligible for OAHF or Other (Include discontinued outyear deals)
☐ Determined Owner is Uncooperative - PAE Does Not Issue Restructuring Commitment
☐ Restructuring Commitment Issued But Not Executed by Owner (PAE must enter new market rents into Form 5.2)
☐ Owner Opt's Out of Section 8 Program

The bolded options, if selected, will automatically update the Watchlist in REMS once the "End M2M Process" button is selected.

OAHF Comment Text:
PAE Comment Text:

Figure 17-57. Critical Dates Tracking page

- Click on  to close the page and return to iREMS.

17.4.6 Option 3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents

The **3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents** page allows you to enter and track renewal information where an owner requests a referral to OAHP. You can enter the renewal method, comparability study information, the date the renewal is forwarded to OAHP, and the date the review results are received from OAHP. You can also enter rent information, HUD approved rent, and any related comments. Once the Option 3 renewal information is complete in iREMS, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

17.4.6.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP date information.

Portfolio Dashboard
Assistance Contracts
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout

Section & Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study/Selection Rents Final Review

Dates and Comments [Save] [Reset]

Surviving Contract: FL290046007 Stage: N/A
Function Type: Renewal Action: FY 2014 - 3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents
Effective Date: 06/01/2014 ARAMS Status:

Renewal Contract: [Dropdown]
Date Sent to OAHP: [Text Box]
Date Review Results Received from OAHP: [Text Box]
Date of Owner 120 Day Notification to Tenants to not Restructure: [Text Box]


Contract/Stage Date Information

Contract/Stage Renewal Execution Date:
Contract Effective Date: 06/01/2014
Length of Contract in Months: 12
Contract Expiration Date: 06/31/2015
Reason for Short-term Renewal: [Dropdown]
Decision Comments:


Figure 17-58. Date and Comments page


To enter information in the Dates and Comments page for Option 3b:

1. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Date sent to OAHP*
 - *Date Review Results Received from OAHP*
 - *Date of owner 120 day notification to tenants to not restructure*
 - *Contract Effective Date*


 *Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.*

- Length of Contract in Months

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract I Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments

2. Click on  to save the information.

17.4.6.2 Comparability Study Selection

RCS information is stored at the property level. If a current RCS exists for a property, the record displays in a table when you select the **Comparability Study** link on the **Function Detail** page. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank. To add an RCS you must use the **Comparability Studies** option from the **iREMS** sidebar. Once an RCS is entered for a property, it displays in the table on all of the **Function Detail** pages for any of the renewal options that include **Comparability Study Selection** as one of the links at the top of the page.

Adding a comparability study for a property is done via the pages accessed by the Comparability Studies option in the **Subsidy Administration** sidebar.

To Select a Comparability Study

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.

Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Figure 17-59. Comparability Study Selection page

- Click in the Select checkbox next to the comparability study and the following pop-up displays.

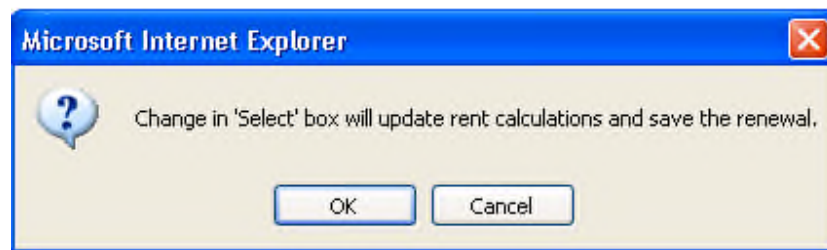


Figure 17-60. Dialog box

- Click on **OK** to save or **Cancel** to reset the selection.
- Click on **Save** and the Save was successful message displays.

17.4.6.3 Rents

The **Rents** page displays rent information for Option 3 renewals in a table format. On the **Rents** page you can update or delete rent information.

A **Overlay Rents with Current Rents from TRACS** button displays above the Rents table. These functions overlays the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the REMS renewal option detail pages. Any of the renewal option detail pages that display the Rents table have pages and functionality that are identical.

*Note: There is not an **Add New Rent Record** button on the Option 3 pages since these renewals are referred to OAHP and the rent structure should not be changed.*

To update Rents:

1. From the **Function/Contract Selection** page, click on the *Function Detail* tab and the **Contract Detail** page displays.
2. Click on the *Rents* tab and the **Rents** page displays.

Rents

Surviving Contract: FL290046007
Function Type: Renewal
Effective Date: 06/01/2014
Stage: N/A
Action: FY 2014 - 3b: Request Referral to OAHF for Restructure of Mortgage and Reduction of Contract Rents
ARAMS Status:

HUD Approved Rent:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	Renewed Rent
1	0	0	745	745
1	0	0	745	745
1	20	731	745	745

Rent Potentials
Monthly: 14620
Annual: 175440

Renewal Rent Effective Date: 06/01/2015
Rents Final for Contract Exhibit: ☐ Yes ☒ No
Rents Final for Contract Exhibit Date:
Utility Allowance Changed Comments:
Utility Allowance Changed: No

Figure 17-61. Rents page

3. Select HUD Approved Rent from the drop-down.
4. Highlight and click on a unit type and the Calculated Renewal Rent Detail page displays.

Calculated Renewal Rent Detail

Unit Type: 1
Number of Units: 20
Unit/Bedroom Type Description:
Current Contract Rent at Time of Expiration: 731
Current Utility Allowance (if separate from rent): 64
Comparable (HUD 92273) Rent: 745
Renewed Rent: 745
Energy Adjustment Amount Applied to Final Rent: 0
Renewed Utility Allowance (if separate from rent): 64
Utility Allowance Effective Date: 06/01/2013

Figure 17-62. Calculated Renewal Rent Detail page

5. Enter the following rent information:
 - *Number of Units*
 - *Unit Bedroom Description*
 - *Renewed Rent*
 - *Energy Adjustment Amount Applied to Final Rent*
 - *Renewed Utility Allowance (if separate from rent)*

6. Click on and the save was successful message displays.

To Overlay Rents with Current Rents from TRACS

1. From the **Dates and Comments** page, click on the *Rents* link and the **Rents** page displays.
2. Click on and the following confirmation window displays:



Figure 17-63. Dialog box

3. Click on and the renewal rent tables are overlaid with the current values from TRACS. A successful TRACS overlay message displays.

17.4.6.4 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.6.5 View Mark-to-Market Critical Dates

The **Functional Detail** page for Option 3 contract processing records contains a *View Mark-to-Market* link for easy access to the **Critical Dates Tracking** page in M2M. All intranet users and external users with at least one CA role have access to this page.

For OAHP renewals (Option 3), the system displays the *View Mark-to-Market* link if the contract number exists in M2M.

To View Critical Dates Tracking from M2M

1. From the Dates and Comments page, click on the *View Mark-to-Market* link and the **Critical Dates Tracking** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Rents Final Review

[Save](#) [Reset](#)

Dates and Comments

Surviving Contract: AK020007002 Stage: 2
Function Type: Renewal Action: FY 2014 - 3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents
Effective Date: 01/01/2033 ARAMS Status:

Renewal Contract:

Date Sent to OAHP:

Date Review Results Received from OAHP:

Date of Owner 120 Day Notification to Tenants to not Restructure:

Contract/Stage Date Information

Contract/Stage Renewal Execution Date:

Contract Effective Date: 01/01/2033

Length of Contract in Months:

Contract Expiration Date:

Reason for Short-term Renewal:


Decision Comments:

[View Mark-to-Market Critical Dates](#)

Figure 17-64. Dates and Comments (*View Mark-toMarket Critical Dates*)

Critical Dates Tracking		
HEREMS Property ID: 800000089 Primary FHA Number: 17635020 Contract Number: AK020007002 Preservation Office: San Francisco HUD Project Manager: LEONAL BLANKENSHIP Debt Restructuring Specialist: NORMAN DAILEY OAHP/PAE Underwriter:		Property Name: COHO PARK PAE Name: ONTRA, Inc. Renewal Type: Rent Reduction Only
There are -2575 days left until this Section 8 contract expires. This contract is currently in the Rent Reduction Determination phase.		
		Enter all dates in mm/dd/yyyy format. Click the Save button near the bottom of this screen to save all updates/changes.
Original Section 8 Expiration Date (Post MAHRA):	02/27/2003	
Current Section 8 Expiration Date:	09/30/2006	<input type="button" value="C"/>
Field Office Receives Request for Rent Reduction from Owner:	07/07/2006	
Field Office Refers to OAHP:		
OAHP Receives Referral from Field Office:	10/24/2002	
Phase: Assignment/Assessment		
OAHP Sends List of Potential Assets:	11/01/2002	
OAHP Approves COI Form 2.2:	11/12/2002	
PAE Accepts Assignment:	11/14/2002	
PAE's estimated Recommendation (Form 10.2) Submission Date:	01/27/2003	<input type="button" value="C"/>
Tier 1 Incentive Due Date (Per PRA):		<input type="button" value="C"/>
Amended Tier 1 Incentive Due Date:		<input type="button" value="C"/>
Amended Tier 1 Due Date (Per Rel. Mgr.):		<input type="button" value="C"/>
Tier 2 Incentive Due Date (Per PRA):		<input type="button" value="C"/>
Amended Tier 2 Incentive Due Date:		<input type="button" value="C"/>
Amended Tier 2 Due Date (Per Rel. Mgr.):		<input type="button" value="C"/>
OAHP Places Property On Hold:		<input type="button" value="C"/>
Anticipated On Hold Removal Date:		<input type="button" value="C"/>
OAHP Removes Property From On Hold:		<input type="button" value="C"/>
Phase: Rent Reduction Determination		
Tenant Notice Sent:	11/06/2002	<input type="button" value="C"/>
PCA Assigned by PAE:	11/14/2002	<input type="button" value="C"/>
Appraisal Assigned by PAE:	11/14/2002	<input type="button" value="C"/>
PAE's PCA Complete:		<input type="button" value="C"/>
PAE's Appraisal Complete:		<input type="button" value="C"/>
Initial PAE Restructuring Plan Submission to OAHP:	01/24/2003	
PAE Submits Justification for Recommendation (Form 10.2):		<input type="button" value="C"/>
OAHP Receives Complete PAE Justification (Form 10.2) Submission:	01/30/2003	<input type="button" value="C"/>
OAHP Approves PAE 'Lite' Recommendation:	02/13/2003	<input type="button" value="C"/>
OAHP Notifies HUD Project Manager:	05/28/2003	<input type="button" value="C"/>
PAE Sends New Sec. 8 Contract to Owner and Notifies HUD Project Manager:		<input type="button" value="C"/>
PAE Receives Copy of Owner's Signed Sec. 8 Contract:		<input type="button" value="C"/>
Status of Miscellaneous Items		
PAE Notifies Owner of Recommendation to Convert to Mortgage Restructuring:		<input type="button" value="C"/>
OAHP Approves Tier 2 Conversion (Form 2.16):		<input type="button" value="C"/>
OAHP Returns Submission to PAE for Revision:		<input type="button" value="C"/>
OAHP Receives PAE Resubmission:		<input type="button" value="C"/>
Number of Resubmissions:	0	
New Section 8 Contract Effective Date:	10/01/2003	<input type="button" value="C"/>
Section 8 Contract Type:	Watchlist	
PAE Final Section 8 Renewal Recommendation: <ul style="list-style-type: none"> <input type="radio"/> Renew as Tier 1 <input type="radio"/> Renew as Tier 2 <input checked="" type="radio"/> Watchlist - Ineligible, Recommended Conversion to Full <input type="radio"/> Not to Renew <input type="radio"/> Ineligible for Mark-to-Market - Rents below or equal to Market <input type="radio"/> Ineligible for Mark-to-Market - Other <input type="button" value="C"/> <input type="radio"/> Owner Opts Out of Section 8 Program 		
OAHP Comment Text:		<input type="button" value="C"/>
PAE Comment Text:		<input type="button" value="C"/>

Figure 17-65. Critical Dates Tracking page

- Click on  to close the page and return to iREMS.

17.4.7 Option 3b: Request Renewal of Full Mark to Market Contract

The **3b: Request Renewal of Full Mark to Market Contract** page allows you to enter and track renewal information where an owner requests a referral to OAHP. You can enter the renewal method, comparability study information, the date the renewal is forwarded to OAHP, and the date the review results are received from OAHP. You can also enter rent information, HUD approved rent, and any related comments. Once the Option 3 renewal information is complete in **iREMS**, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

17.4.7.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP date information.


Figure 17-66. Date and Comments page


To enter information in the Dates and Comments page for Option 3b: Request Renewal for Mark to Market Contract

1. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Contract Effective Date*

Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.

- *Length of Contract in Months*

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract in Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments

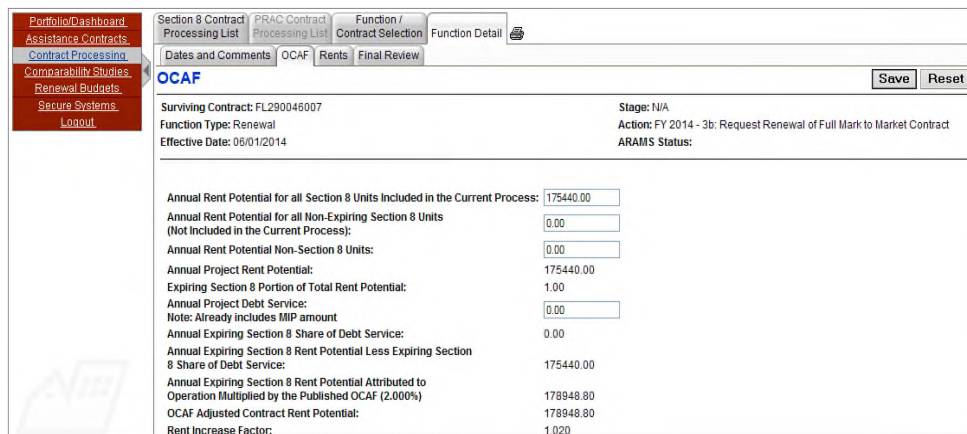
2. Click on **Save** to save the information.

17.4.7.2 OCAF

The **OCAF** page for **3b: Request Renewal of Full Mark to Market Contract** renewals calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

To enter OCAF information:

1. From the **Dates and Comments** page, click on the **OCAF** tab and the OCAF page displays.




Surviving Contract:	FL290046007	Stage:	N/A
Function Type:	Renewal	Action:	FY 2014 - 3b: Request Renewal of Full Mark to Market Contract
Effective Date:	06/01/2014	ARAMS Status:	
Annual Rent Potential for all Section 8 Units Included in the Current Process:	175440.00		
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00		
Annual Rent Potential Non-Section 8 Units:	0.00		
Annual Project Rent Potential:	175440.00		
Expiring Section 8 Portion of Total Rent Potential:	1.00		
Annual Project Debt Service:	0.00		
Note: Already includes MIP amount			
Annual Expiring Section 8 Share of Debt Service:	0.00		
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	175440.00		
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.000%)	178948.80		
OCAF Adjusted Contract Rent Potential:	178948.80		
Rent Increase Factor:	1.020		


Figure 17-67. OCAF page

2. Enter the following information:


- Annual Rent Potential for all Section 8 Units Included In the Current Process
- Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included In the Current Process)
- Annual Rent Potential Non-Section 8 Units

- *Annual Project Debt Service: Note: Already includes MIP amount*

 *Note: On loans with an In-Active Financing Instrument, the monthly debt service is calculated to zero. iREMS will not add the Mortgage Insurance Premium (MIP).*


3. Click on  and the save was successful message displays.

To Update OCAF information:

1. From the **Dates and Comments** page, click on the *OCAF* tab and the **OCAF** page displays.
2. Enter the new data.
3. Click on  the save was successful message displays.

17.4.7.3 Rents

The **Rents** page displays rent information for Option 3b renewals in a table format. On the **Rents** page you can update or delete rent information.

A  button displays above the Rents table. This function overlay the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the REMS renewal option detail pages. Any of the renewal option detail pages that display the Rents table have pages and functionality that are identical.

 *Note: There is not a  button on the Option 3 pages since these renewals are referred to OAHP and the rent structure should not be changed.*

To update Rents:

1. From the **Function/Contract Selection** page, click on the *Function Detail* tab and the **Contract Detail** page displays.
2. Click on the *Rents* tab and the **Rents** page displays.

Section B Contract Processing List Processing List Contract Selection Function Detail

Portfolios Dashboard Assistance Contracts Contract Processing Comparability Studies Renewal Budgets Secure Systems Logout

Dates and Comments OCAF Rents Final Review

Rents Save Reset

Surviving Contract: FL290046007 Stage: N/A
Function Type: Renewal Action: FY 2014 - 3b: Request Renewal of Full Mark to Market Contract
Effective Date: 06/01/2014 ARAMS Status:

Rents: Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: OCAF Adjusted

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Renewed Rent
1	0	0	0	
1	0	0	0	
1	20	731	746	746
Rent Potentials				
Monthly		14620	14620	14620
Annual		175440	179040	179040

Renewal Rent Effective Date: 06/01/2015

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed:

Figure 17-68. Rents page

3. Select HUD Approved Rent from the drop-down.
4. Highlight and click on a unit type and the Calculated Renewal Rent Detail section displays.

Calculated Renewal Rent Detail Save Delete Reset Close

Unit Type: 1

Number of Units: 20

Unit/Bedroom Type Description:

Current Contract Rent at Expiration: 731

Current Utility Allowance (if separate from rent): 64

OCAF Adjusted Rent: 746

Renewed Rent: 746

Energy Adjustment Amount Applied to Final Rent: 0

Renewed Utility Allowance (if separate from rent): 64

Utility Allowance Effective Date: 06/01/2013

Figure 17-69. Calculated Renewal Rent Detail page

5. Enter the following rent information:
 - *Number of Units*
 - *Unit Bedroom Description*
 - *Renewed Rent*
 - *Energy Adjustment Amount Applied to Final Rent*
 - *Renewed Utility Allowance (if separate from rent)*
6. Click on **Save** and the save was successful message displays.

To Overlay Rents with Current Rents from TRACS

4. From the **Dates and Comments** page, click on the *Rents* link and the **Rents** page displays.
5. Click on and the following confirmation window displays:

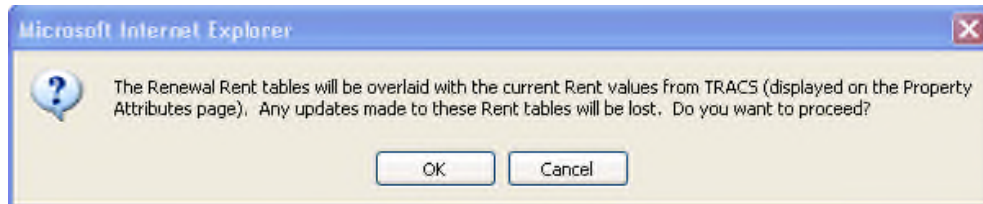


Figure 17-70. Dialog box

6. Click on and the renewal rent tables are overlaid with the current values from TRACS. A successful TRACS overlay message displays.

17.4.7.4 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.8 Option 4: Renewal of Projects Exempted from OAHP

Certain project types cannot be forwarded to OAHP even though the contract rents may exceed market. Projects without FHA-insured loans are exempt, as are certain FHA insured properties. For detailed information on Option 4, please refer to *HUD Section 8 Renewal Policy* and the related attachments.

Saving the contract action of the “**4: Request Renewal for Projects Exempt from OAHP**” pages gives you access to a Function Detail page that allows you to enter and track renewal information for a project that is exempt from OAHP. You can enter the renewal method, comparability study information, renewal budget information, and indicate if it has an Exception Project Exempted from OAHP. You can also enter rent information, dispute/appeal comments, HUD approved rent, and any decision comments. Once the Option 4 renewal information is complete in iREMS, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

17.4.8.1 Dates and Comments

The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP information.

Figure 17-71. Dates and Comments for Option 4

To enter information in the Dates and Comments page for Option 4:

1. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Exception Project Exempted from OAHP*, select from drop-down list
 - *Annual Financial Statement Required to be Submitted to HUD?*, select radio button
 - *Contract Effective Date*

Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.

- *Length of Contract in Months*

Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".

Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract is 1 Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments

2. Click on **Save** to save the information.

Alternative option

Click on **Reset** to return the fields to blank, or to the previously saved information.

17.4.8.2 Comparability Study Selection

RCS information is stored at the property level. If a current RCS exists for a property, you can view it by selecting the *Comparability Study Selection* link from the **Function Detail** tab. The record displays on the **Comparability Study Selection** page in a table. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank and you must add one. To add an RCS you must use the *Comparability Studies* option from the iREMS sidebar. Once an RCS is entered for a property, it displays in the table on the **Comparability Study Selection** page.

Adding a comparability study for a property is done via the pages accessed by the *Comparability Studies* option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Studies* for detailed instructions.

To Select a Comparability Study:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* link and the **Comparability Study Selection** page displays.

The screenshot shows the 'Comparability Study Selection' page. The sidebar on the left includes links like 'Portfolio/Dashboard', 'Assistance Contracts', 'Contract Processing', 'Comparability Studies', 'Renewal Budgets', 'Secure Systems', and 'Logout'. The top navigation bar has tabs for 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection', and 'Function Detail'. The main content area has sub-tabs: 'Dates and Comments', 'Comparability Study Selection' (active), 'Budget Selection', 'OCAF', 'Rents', and 'Final Review'. The page title is 'Comparability Study Selection' with 'Save' and 'Reset' buttons. The form displays contract details: 'Surviving Contract: FL290046007', 'Stage: N/A', 'Function Type: Renewal', 'Action: FY 2014 - 4: Request Renewal for Projects Exempt from OAHF', 'Effective Date: 06/01/2014', and 'ARAMS Status:'. Below this is a 'Comparability Study Required?' section with radio buttons for 'Yes', 'No', and 'Unconfirmed'. A 'Comparability Study:' section contains a table with one row of data.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	09/08/2010	Owner		Yes	1	745

Figure 17-72. Comparability Study Selection page

3. Click in the Select checkbox next to the comparability study and the following pop-up displays.

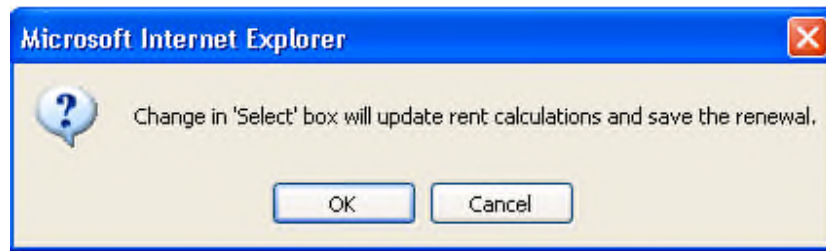
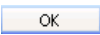
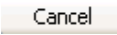




Figure 17-73. Dialog box

4. Click on  to save or  to reset the selection.
5. Click on  and the Save was successful message displays.

17.4.8.2.1 Viewing Comparability Study Detail Information:

To view unit or bedroom information for an existing comparability study, select the study in the Comparability Study table and the **Comparability Study Detail** page for that study displays. The **Comparability Study Detail** page displays the following fields: *Fiscal Year*, *Date HUD Form 92273 Signed by Appraiser*, *Comparability Study Submitted (to HUD) Date*, *Comparability Study Source*, *Comparability Study Reviewed (by HUD) Date*, *Date Accepted/Approved by HUD*, and *Comparable Rents*. The Comparable Rents information is displayed in a table with the following columns: *Unit/Bedroom Type*, *Comparable Rent (Monthly)*, and *Unit Description*.

 *Note: Any comparability study that is associated to a contract process that is locked by ARAMS cannot be edited. All fields display as view-only.*

To access detailed information on the Comparability Study:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail		Back Adjust Comp Rents by OCAF
Comparability Study Detail		
Surviving Contract: FL290046007 Function Type: Renewal Effective Date: 06/01/2014		Stager: N/A Action: FY 2014 - 4: Request Renewal for Projects Exempt from OAHF ARAMS Status:
<hr/> Fiscal Year: 2013 Date HUD Form 92273 Signed by Appraiser: 09/08/2010 Comparability Study Submitted (to HUD) Date: 09/20/2010 Comparability Study Source: Owner Comparability Study Reviewed (by HUD) Date: 03/31/2011 Date Accepted / Approved by HUD: 03/31/2011 Auto OCAF Created: Yes		
Comparable Rents:		
Unit/Bedroom Type	Comparable Rent (Monthly)	Unit Description
1	745	

Figure 17-74. Comparability Study Detail page

- Click on **Back** to return to the **Comparability Study Selection** page.

17.4.8.3 Budget Selection

For most properties, **iREMS** uses the entry of standard renewal budgets, including dates and percentage increases related to the rent and the utility allowance to calculate the budget-based adjusted rents and the related rent potential. However, for certain properties (i.e., those with 515/8 financing) a Rural Housing Service (RHS) budget is appropriate instead. These budgets usually provide the adjusted rent by the unit type, rather than a standard percentage.

Renewal budget information is stored at the property level. If a current renewal budget record exists for a property, the record displays both on the **Renewal Budget List** page and on the **Budget Selection** page. For detailed information on adding, selecting or updating *Renewal Budget* information please see section 22.9, Renewal Budgets.

To Update information on the Budget Selection page:

- From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
- Click on the *Budget Selection* link and the **Budget Selection** page displays.

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2014	10/18/2013	6.50	1	0
				1	779
				1	0

Figure 17-75. Budget Selection page

- Update the following information:
 - Renewal Budget Required*, radio button
 - Renewal Budget Type*, drop-down
- Click on **Save** and the Renewal Budgets table displays.

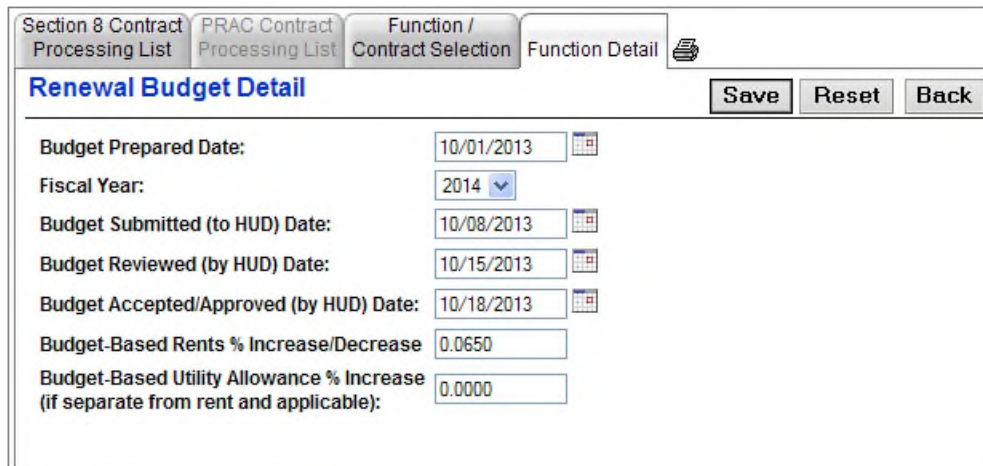


Figure 17-76. Budget Selection page

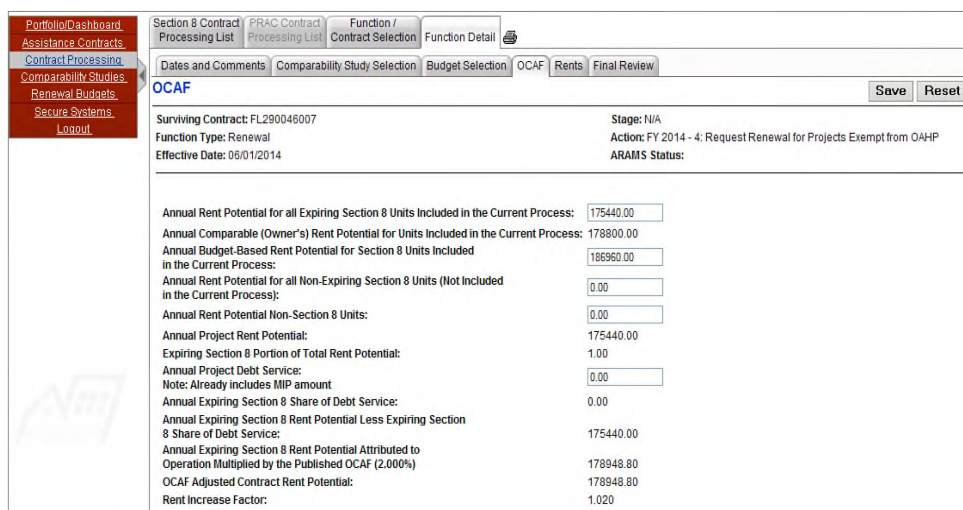
5. Select the renewal and click on **Save**. The save was successful message displays.

17.4.8.4 OCAF

The OCAF page for **4: Request Renewal for Projects Exempt from OAHP** renewals calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

To add OCAF information:

1. From the **Dates and Comments** page, click on the *OCAF* link and the **OCAF** page displays.





Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process:	175440.00
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:	178800.00
Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process:	186960.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	0.00
Annual Project Rent Potential:	175440.00
Expiring Section 8 Portion of Total Rent Potential:	1.00
Annual Project Debt Service:	0.00
Note: Already Includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	0.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	175440.00
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.000%)	178948.80
OCAF Adjusted Contract Rent Potential:	178948.80
Rent Increase Factor:	1.020

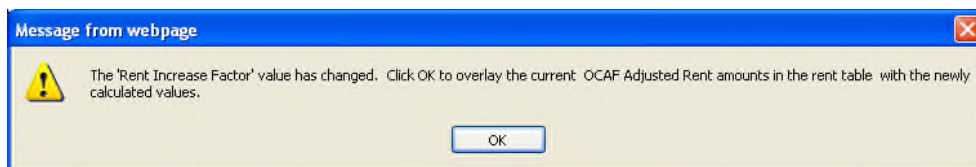
Figure 17-77. OCAF page

2. Enter any of the following information:


- *Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process*
- *Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process)*
- *Annual Rent Potential Non- Section 8 Units*
- *Annual Project Debt Service : Note: Already includes MIP amount*

 *Note: On loans with an In-Active Financing Instrument, the monthly debt service is calculated to zero. iREMS will not add the Mortgage Insurance Premium (MIP).*

 *Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor is automatically changed. The following warning message will display:*




When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

3. Click on  and the save was successful message displays.

17.4.8.5 Rents

The Rent page displays rent information for renewals in a table format. On most option detail pages you can add, update or delete rent information.

A  button displays above the *Rents* table. This function overlay the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the iREMS renewal option detail pages. Any of the renewal option detail pages that display the *Rents* table have pages and functionality that are identical.

To add rent information:

1. From the **Dates and Comments** page, click on the *Rents* tab and the **Rents** page displays.

Figure 17-78. Rents page

2. Enter any of the following information:


- *HUD Approved Rent, from drop-down*
- *Renewal Effective date, calendar*
- *Disputes/ Appeal Comments*
- *Rents Final for Contract Exhibit, radio button*
- *Rents Final for Contract Exhibit Date, calendar*

3. Click on **Add New Rent Record** and the **Calculated Rents Detail** pop up displays.


Figure 17-79. Calculated Rents Detail

4. Enter the following information:


- *Unit/Bedroom Type*


 *Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.*

- *Unit/Bedroom Type Description*
- *Number of units*
- *OCAF Adjusted Rents*
- *Energy Adjustment Amount Applied to Final Rent*
- *Renewed Rent*
- *Renewed Utility Allowance (if separate from rent)*

5. Click on  and the save was successful message displays.

To update rent information:

 *Note: You can update all renewal rent records, including those created by the interface with TRACS.*

1. From the **Dates and Comments** page, click on the *Rents* link and the **Rents** page displays.
2. From the **Rents** page, click on the desired link in the Unit Type field and the corresponding **Rent** page displays.
3. Enter the new data.
4. Click on  and the save was successful message displays.

17.4.8.6 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.9 Option 5: Renewal of Portfolio Re-engineering Demonstration or Preservation Projects

Option 5a is for properties that went through the Portfolio Re-engineering Demonstration Program. The Section 8 contract can be renewed in one of the following ways:

- Properties that went through the Portfolio Re-engineering Demonstration Program and had their mortgages restructured and/or had rents reduced to market should not be forwarded to OAHP. They should be renewed as follows:
 - *Annually for the four years after the Demonstration Contract was signed, the contract will receive an OCAF adjustment*
 - *At the end of the fifth year, procedures outlined for Option 2 must be followed. This includes completing an RCS*
- If the mortgage was not restructured and the contract's rents were not reduced to market, the owner must submit rationale as to why debt restructuring is inappropriate. The rationale and the renewal request should be submitted to Headquarters, Office of Portfolio Management.

Preservation contracts are renewed (both at initial and subsequent renewal) according to all provisions outlined in the project's Plan of Action (POA). In the majority of Preservation contracts, the POA allows for either a budget-based rent adjustment or an Annual Adjustment Factor (AAF).

For detailed information on Options 5a-5b, please refer to the *HUD Section 8 Renewal Policy* and the related attachments.

17.4.10 Option 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project

Option 5a is for properties that went through the Portfolio Re-engineering Demonstration Program. The Section 8 contract can be renewed in one of the following ways:

- ▶ Properties that went through the Portfolio Re-engineering Demonstration Program and had their mortgages restructured and/or had rents reduced to market should not be forwarded to OAHP. They should be renewed as follows:
 - Annually for the four years after the Demonstration Contract was signed, the contract will receive an OCAF adjustment
 - At the end of the fifth year, procedures outlined for Option 2 must be followed. This includes completing an RCS
- ▶ If the mortgage was not restructured and the contract's rents were not reduced to market, the owner must submit rationale as to why debt restructuring is inappropriate. The rationale and the renewal request should be submitted to Headquarters, Office of Portfolio Management.

Preservation contracts are renewed (both at initial and subsequent renewal) according to all provisions outlined in the project's Plan of Action (POA). In the majority of Preservation contracts, the POA allows for either a budget-based rent adjustment or an Annual Adjustment Factor (AAF).

For detailed information on Options 5a-5b, please refer to the HUD Section 8 Renewal Policy and the related attachments.

The **5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project** page allows you to enter and track renewal information where an owner requests renewal of the Section 8 contract for a property which previously went through the Portfolio Re-engineering Demonstration process. You can enter the renewal method, whether or not an AFS is required, whether or not the mortgage was restructured under the demo program, whether or not the rents were reduced to market under the demo program, and indicate if it has been sent to OAHP. You can also enter rent information, dispute/appeal comments, HUD approved rent, and any decision comments. Once the Option 5a renewal information is complete in iREMS, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

The **5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project** page calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

17.4.10.1 Dates and Comments


The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP information and Demo Contracts.

Figure 17-80. Dates and Comments page


To enter information in the Dates and Comments page for Option 5a:


1. Enter the following information:
 - *Renewal Contract*, from the drop-down list (populated with the option selected, however, it is an editable field)
 - *Exception Project Exempted from OAHP*, select from drop-down list
 - *Annual Financial Statement Required to be Submitted to HUD?*, select radio button

- *Was the Mortgage Restructured Under the Demo Program?*, select radio button
- *Were the Contract Rents Reduced to Market Under the Demo Program?*, select radio button
- *Date Referred to HQ (if applicable)*
- *Contract Effective Date*


 *Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.*

- *Length of Contract in Months*

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract in Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- *Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)*
- *Decision Comments*

2. Click on  to save the information.

17.4.10.2 OCAF

The OCAF page for **5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project** renewal calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

To add OCAF information:

1. From the **Dates and Comments** page, click on the *OCAF* tab and the **OCAF** page displays.

Field	Value
Surviving Contract	FL290046007
Function Type	Renewal
Effective Date	06/01/2014
Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process	175440.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process)	0.00
Annual Rent Potential Non-Section 8 Units	0.00
Annual Project Rent Potential	175440.00
Expiring Section 8 Portion of Total Rent Potential	1.00
Annual Project Debt Service	0.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service	0.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service	175440.00
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.000%)	178948.80
OCAF Adjusted Contract Rent Potential	178948.80
Rent Increase Factor	1.019

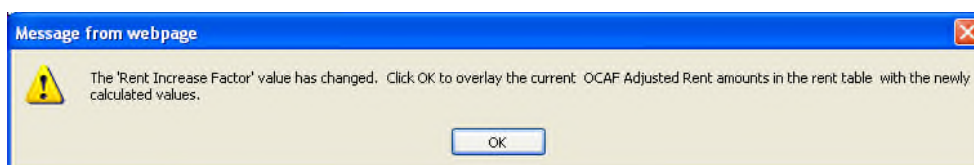
Figure 17-81. OCAF

2. Enter any of the following information:

- *Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in Current Process)*
- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: Already includes MIP amount*

Note: On loans with an In-Active Financing Instrument, the monthly debt service is calculated to zero. iREMS will not add the Mortgage Insurance Premium (MIP).

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor” is automatically changed. The following warning message will display:




When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

3. Click on and the save was successful message displays.

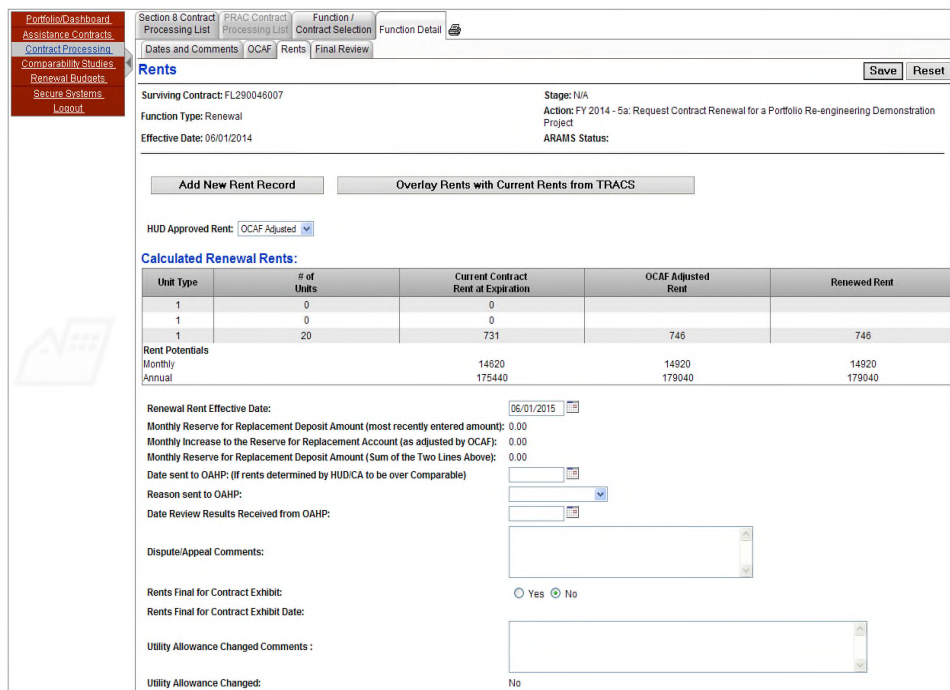
17.4.10.3 Rents

The Rent page displays rent information for renewals in a table format. On most option detail pages you can add, update or delete rent information.

A  button displays above the *Rents* table. This function overlays the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the iREMS renewal option detail pages. Any of the renewal option detail pages that display the *Rents* table have pages and functionality that are identical.

To add rent information:

1. From the **Dates and Comments** page, click on the *Rents* tab and the **Rents** page displays.



Surviving Contract: FL290046007
Function Type: Renewal
Effective Date: 06/01/2014
Stage: N/A
Action: FY 2014 - 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
ARAMS Status:

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Renewed Rent
1	0	0		
1	0	0		
1	20	731	746	746
Rent Potentials				
Monthly		14620	14920	14920
Annual		175440	179040	179040

Renewal Rent Effective Date: 06/01/2015
Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00
Date sent to OHAP: (If rents determined by HUD/CA to be over Comparable)
Reason sent to OHAP:
Date Review Results Received from OHAP:
Dispute/Appeal Comments:
Rents Final for Contract Exhibit: Yes No
Rents Final for Contract Exhibit Date:
Utility Allowance Changed Comments:
Utility Allowance Changed: No

Figure 17-82. Rents page

2. Enter any of the following information:
 - *HUD Approved Rent*, from drop-down
 - *Renewal Rent Effective date*, calendar
 - *Monthly Reserve for Replacement Deposit Amount (most recent entered amount)*
 - *Monthly Increase to the Reserve for Replacement Account*
 - *Date Sent to OHAP*, calendar
 - *Reason Sent to OHAP*, drop-down
 - *Date Review Results Received from OHAP*, calendar
 - *Dispute/Appeal Comments*

- *Rents Final for Contract Exhibit, radio button*

3. Click on **Add New Rent Record** and the **Calculated Rents Detail** pop up displays.

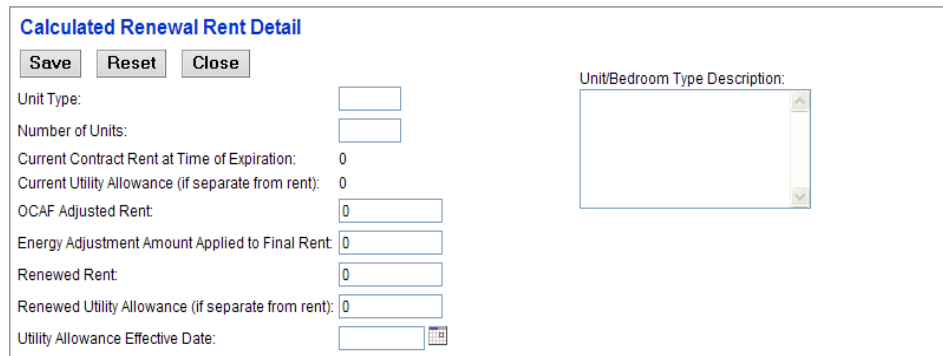


Figure 17-83. Calculated Renewal Rent Add page

4. Enter the following information:

- *Unit/Bedroom Type*

Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.

- *Unit/Bedroom Type Description*
- *Number of units*
- *OCAF Adjusted Rents*
- *Energy Adjustment Amount Applied to Final Rent*
- *Renewed Rent*
- *Renewed Utility Allowance (if separate from rent)*

5. Click on **Save** and the save was successful message displays.

17.4.10.4 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.

17.4.11 Option 5b: Request Contract Renewal for a Preservation Project

The **5b: Request Contract Renewal for a Preservation Project** page allows you to enter and track renewal information where an owner requests renewal of a preservation project. You can enter the renewal method, AAF comparability study information, and renewal budget information. You can also enter rent information, HUD approved rent, and any decision comments. Once the Option 5b renewal information is complete in iREMS, and the *Rents Final for Contract Exhibit* indicator is set to *Yes*, the data is used by ARAMS.

The **5b: Request Contract Renewal for a Preservation Project** page calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

17.4.11.1 Dates and Comments


The **Dates and Comments** page contains information on the renewal contract, the effective date and length of the contract, expiration date, and reason for short term renewal, if applicable. This page also has a field for entering decision comments and OAHP information and Demo Contracts.

The screenshot displays the 'Dates and Comments' page within the iREMS system. The interface includes a sidebar with navigation options such as 'Portfolio/Dashboard', 'Assistance Contracts', 'Contract Processing', 'Comparability Studies', 'Renewal Budgets', 'Secure Systems', and 'Logout'. The main content area is titled 'Dates and Comments' and features a 'Save' and 'Reset' button. The page contains several input fields and sections: 'Surviving Contract' (FL290046007), 'Function Type' (Renewal), 'Effective Date' (06/01/2014), 'Stage' (N/A), 'Action' (FY 2014 - 5b: Request Contract Renewal for a Preservation Project), and 'ARAMS Status'. Below these, there is a 'Renewal Contract' dropdown menu, a 'Contract/Stage Date Information' section with fields for 'Plan of Action Date', 'Contract/Stage Renewal Execution Date', 'Contract Effective Date' (06/01/2014), 'Length of Contract in Months' (12), and 'Contract Expiration Date' (06/31/2015). There is also a 'Reason for Short-term Renewal' dropdown and a 'Decision Comments' text area.


Figure 17-84. Dates and Comments page


To enter information in the Dates and Comments page for Option 5b:

1. Enter the following information:
 - *Renewal Contract*, from the drop-down list
 - *Plan of Action*, calendar
 - *Contract Effective Date*, calendar


 *Note: The Contract Effective Date field must contain accurate data. Inaccurate data causes the renewal to be rejected.*

- Length of Contract in Months

 *Note: The Length of Contract in Months field is a mandatory field and must be entered prior to executing the renewal. This is only applicable when the Rents Final for Contract Exhibit indicator has been set to "Yes".*

 *Note: Information entered in the Length of Contract in Months field determines whether the renewal is a short-term renewal. If the Length of Contract I Months is less than 12 months, the Reason for Short-term Renewal drop-down list is a required field.*

- Reason for Short-term renewal (if applicable, if length of contract is less than 12 months)
- Decision Comments

2. Click on  to save the information.

Alternative option

Click on  to return the fields to blank, or to the previously saved information.

17.4.11.2 Comparability Study Selection

RCS information is stored at the property level. If a current RCS exists for a property, you can view it by selecting the *Comparability Study Selection* link from the **Function Detail** tab. The record displays on the **Comparability Study Selection** page in a table. You can use an existing RCS by selecting the checkbox next to the record in the table. If no RCS exists in the system, the table is blank and you must add one. To add an RCS you must use the *Comparability Studies* option from the iREMS sidebar. Once an RCS is entered for a property, it displays in the table on the **Comparability Study Selection** page.

Adding a comparability study for a property is done via the pages accessed by the *Comparability Studies* option in the **Subsidy Administration** sidebar. Please see section 22.8, *Comparability Studies* for detailed instructions.

Surviving Contract: FL290046007
Function Type: Renewal
Effective Date: 06/01/2014

Stage: N/A
Action: FY 2014 - 5b: Request Contract Renewal for a Preservation Project
ARAMS Status:

AAF Comparability Study Required? ☒ Yes ☐ No ☐ Unconfirmed

Comparability Study:

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	09/08/2010	Owner		Yes	1	745

Figure 17-85. Comparability Study Selection

To Select a Comparability Study:

1. From the **Contract Processing List** page, highlight and click on the renewal record and the **Function Detail** page displays.
2. Click on the *Comparability Study Selection* link and the **Comparability Study Selection** page displays.

Figure 17-86. Comparability Study Selection page

3. Click in the Select checkbox next to the comparability study and the following pop-up displays.

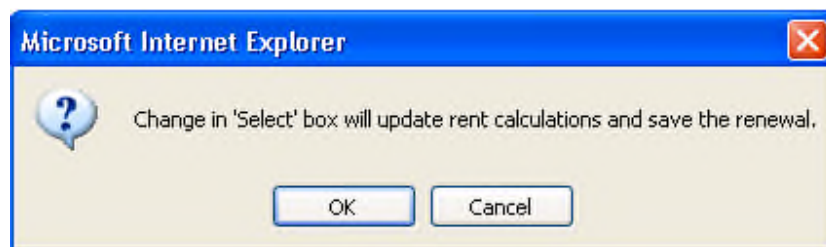



Figure 17-87. Dialog box

4. Click on to save or to reset the selection.

5. Click on **Save** and the Save was successful message displays.

17.4.11.2.1 Viewing Comparability Study Detail Information:

To view unit or bedroom information for an existing comparability study, select the study in the Comparability Study table and the **Comparability Study Detail** page for that study displays. The **Comparability Study Detail** page displays the following fields: *Fiscal Year*, *Date HUD Form 92273 Signed by Appraiser*, *Comparability Study Submitted (to HUD) Date*, *Comparability Study Source*, *Comparability Study Reviewed (by HUD) Date*, *Date Accepted/Approved by HUD*, and *Comparable Rents*. The Comparable Rents information is displayed in a table with the following columns: *Unit/Bedroom Type*, *Comparable Rent (Monthly)*, and *Unit Description*.

 *Note: Any comparability study that is associated to a contract process that is locked by ARAMS cannot be edited. All fields display as view-only.*

To access detailed information on the Comparability Study:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Section 9 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail							
Comparability Study Detail Back Adjust Comp Rents by OCAF							
Surviving Contract: FL290046007 Stage: N/A Function Type: Renewal Action: FY 2014 - 5b: Request Contract Renewal for a Preservation Project Effective Date: 06/01/2014 ARAMS Status:							
Fiscal Year: 2013 Date HUD Form 92273 Signed by Appraiser: 09/08/2010 Comparability Study Submitted (to HUD) Date: 09/20/2010 Comparability Study Source: Owner Comparability Study Reviewed (by HUD) Date: 03/31/2011 Date Accepted / Approved by HUD: 03/31/2011 Auto OCAF Created: Yes							
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Unit/Bedroom Type</th> <th style="text-align: left;">Comparable Rent (Monthly)</th> <th style="text-align: left;">Unit Description</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>745</td> <td></td> </tr> </tbody> </table>		Unit/Bedroom Type	Comparable Rent (Monthly)	Unit Description	1	745	
Unit/Bedroom Type	Comparable Rent (Monthly)	Unit Description					
1	745						

Figure 17-88. Comparability Study Detail page

2. Click on **Back** to return to the **Comparability Study Selection** page.

To adjust Comparability Rents by OCAF:

1. From the **Comparability Study Selection** page, highlight and click on the comparability study and the **Comparability Study Detailed** page displays.

Section 8 Contract Processing List	PRAC Contract Processing List	Function / Contract Selection	Function Detail
------------------------------------	-------------------------------	-------------------------------	-----------------

Comparability Study Detail Back Adjust Comp Rents by OCAF

Surviving Contract: FL290046007
 Function Type: Renewal
 Effective Date: 06/01/2014

Stage: N/A
 Action: FY 2014 - 5b: Request Contract Renewal for a Preservation Project
 ARAMS Status:

Fiscal Year: 2013
 Date HUD Form 92273 Signed by Appraiser: 09/08/2010
 Comparability Study Submitted (to HUD) Date: 09/20/2010
 Comparability Study Source: Owner
 Comparability Study Reviewed (by HUD) Date: 03/31/2011
 Date Accepted / Approved by HUD: 03/31/2011
 Auto OCAF Created: Yes

Comparable Rents:

Unit Bedroom Type	Comparable Rent (Monthly)	Unit Description
1	745	

Figure 17-89. Comparability Study Detail page

2. Click on **Adjust Comp Rents by OCAF** and the following message displays:

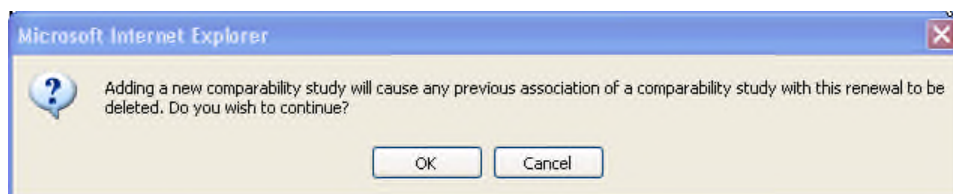


Figure 17-90. Comparability Dialog box

3. Click on **OK** and the save was successful message displays on the **Comparability Study Detail** page.

Alternative option

Click on **Cancel** to return to the **Comparability Study** page without saving.

17.4.11.3 Budget Selection

If a current renewal budget record exists for a property, the record displays on the **Budget Selections** page. You can use an existing renewal budget record by selecting the checkbox next to the record in the table. If no renewal budget exists in the system, the table is blank. Once a renewal budget is entered for a property on any of the option detail pages, it displays in the table.

To update budget information:

1. From the **Dates and Comments** page, click on the *Budget Selection* link and the Budget Selection page displays.

Figure 17-91. Budget Selection page

- Click in the Select checkbox next to the budget and the following pop-up box displays

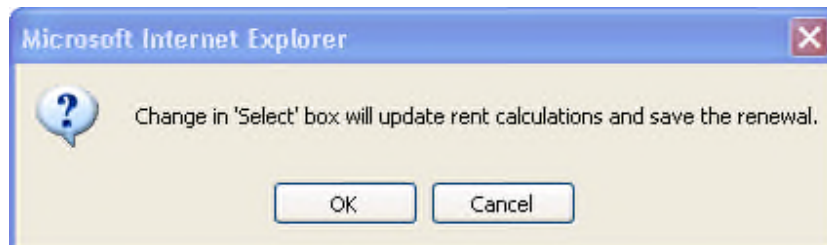


Figure 17-92. Renewal Dialog box

- Click on to accept the changes or to cancel.

To update Budget Detail information:

- From the **Dates and Comments** page, click on the *Budget Selection* tab and the Budget Selection page displays.

Figure 17-94. Budget Selection page

2. Highlight and click on the renewal budget and the **Renewal Budget Detail** page displays.

Section 8 Contract Processing List	PRAC Contract Processing List	Function / Contract Selection	Function Detail
Renewal Budget Detail			
Save Reset Back			
Budget Prepared Date:		10/01/2013	
Fiscal Year:		2014	
Budget Submitted (to HUD) Date:		10/08/2013	
Budget Reviewed (by HUD) Date:		10/15/2013	
Budget Accepted/Approved (by HUD) Date:		10/18/2013	
Budget-Based Rents % Increase/Decrease (if the Increase/Decrease is 6.5%, enter 0.065):		0.0650	
Budget-Based Utility Allowance % Increase (if separate from rent and applicable):		0.0000	

Figure 17-95. Renewal Budget Detail page

3. Enter the following information:
 - Budget prepared date, calendar
 - Fiscal year, drop-down
 - Budget submitted (to HUD) date, calendar
 - Budget Reviewed (by HUD) date, calendar
 - Dare Accepted/Approved, calendar
 - Budget-Based Rents % Increase/Decrease (if the Increase/Decrease is 6.5%, enter 0.065):
 - Budget-Based Utility Allowance % Increase (if separate from rent and applicable):
4. Click on **Save** and the save was successful message displays.

17.4.11.4 OCAF

The OCAF page for **5b: Request Contract Renewal for a Preservation Project** renewals page calculates the Operating Cost Adjustment Factor (OCAF) adjusted contract rent potential, the lesser of the OCAF or correlated comparable rent potential, and the OCAF rent increase factor.

To add OCAF information:

1. From the **Dates and Comments** page, click on the *OCAF* tab and the **OCAF** page displays.

OCAF	
Surviving Contract: FL290046007	Stage: N/A
Function Type: Renewal	Action: FY 2014 - 5b: Request Contract Renewal for a Preservation Project
Effective Date: 06/01/2014	ARAMS Status:
OCAF Rent Adjustments	
Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process:	175440.00
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:	178800.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	0.00
Annual Project Rent Potential:	175440.00
Expiring Section 8 Portion of Total Rent Potential:	1.00
Annual Project Debt Service:	0.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	0.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	175440.00
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.000%):	178948.80
OCAF Adjusted Contract Rent Potential:	178948.80
Lesser of OCAF or Correlated Comparable Rent Potential:	178800.00
Rent Increase Factor (Based upon Lesser of OCAF vs. Comps):	1.019

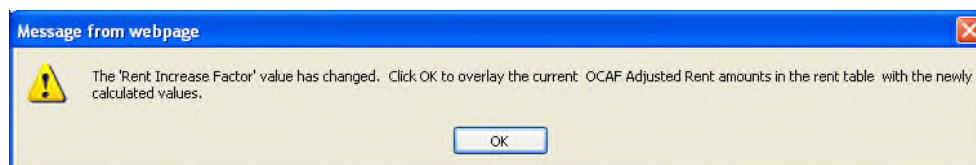
Figure 17-96. OCAF page

2. Enter any of the following information:

- Annual Rent Potential for all Expiring Section 8 Units Included in the Current Process
- Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process
- Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process)
- Annual Rent Potential Non-Section 8 Units
- Annual Project Debt Service : Note: Already includes MIP amount

Note: On loans with an In-Active Financing Instrument, the monthly debt service is calculated to zero. **iREMS** will not add the Mortgage Insurance Premium (MIP).

Note: When the "Annual Project Debt Service" is changed, the "Rent Increase Factor" is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

- Click on **Save** and the save was successful message displays.

17.4.11.5 Rents

The Rent page displays rent information for renewals in a table format. On most option detail pages you can add, update or delete rent information.

A **Overlay Rents with Current Rents from TRACS** button displays above the *Rents* table. These function overlays the rent information displayed in the table with the current rent values from TRACS. This button displays on most of the **iREMS** renewal option detail pages and operates the same way.

To add rent information:

- From the **Dates and Comments** page, click on the *Rents* tab and the **Rents** page displays.

Portfolio Dashboard
Assessments
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout

Section & Contract Processing List
PRAC Contract Processing List
Function / Contract Selection
Function Detail

Dates and Comments
Comparability Study Selection
Budget Selection
OCAF
Rents
Final Review

Rents [Save] [Reset]

Surviving Contract: FL290046007
Function Type: Renewal
Effective Date: 06/01/2014
Stage: N/A
Action: FY 2014 - 5b: Request Contract Renewal for a Preservation Project
ARMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent: Budget Based

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	OCAF Adjusted Rent	Budget-based Rent	AAF Adjusted Rent	Renewed Rent
1	0	0	745				
1	0	0	745				
1	20	731	745	746	779		779
Rent Potentials							
Monthly		14620	14900	14920	15580		15580
Annual		175440	178800	179040	186960		186960

Renewal Rent Effective Date: 06/01/2015

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 0.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 0.00
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 0.00

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

Figure 17-97. Rents page

- Enter any of the following information:
 - HUD Approved Rent*, from drop-down
 - Renewal Rent Effective date*, calendar
 - Rents Final for Contract Exhibit*, radio button
- Click on **Add New Rent Record** and the **Calculated Rents Detail** pop up displays.

Calculated Renewal Rent Detail

Save **Reset** **Close**

Unit Type:

Number of Units:

Current Contract Rent at Time of Expiration: 0

Current Utility Allowance (if separate from rent): 0

Comparable(HUD92273) Rent:

OCAF Adjusted Rent:

Budget Based Rent: 0

Budget Based Utility Allowance (if separate from rent): 0

AAF Adjusted Rent:

AAF Adjusted Utility Allowance (if separate from rent):

Energy Adjustment Amount Applied to Final Rent:

Renewed Rent:

Renewed Utility Allowance (if separate from rent):

Utility Allowance Effective Date:

Unit/Bedroom Type Description:

Figure 17-98. Calculated Rents Detail

4. Enter the following information:

- *Unit/Bedroom Type*

Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.


- *Unit/Bedroom Type Description*
- *Number of units*
- *OCAF Adjusted Rents*
- *AAF Adjusted Rents*
- *AAF Adjusted Utility Allowance*
- *Energy Adjustment Amount Applied to Final Rent*
- *Renewed Rent*
- *Renewed Utility Allowance (if separate from rent)*

5. Click on **Save** and the save was successful message displays.

To update rent information:

Note: You can update all renewal rent records, including those created by the interface with TRACS.

1. From the **Dates and Comments** page, click on the *Rents* tab and the **Rents** page displays.

2. From the **Rents** page, click on the desired link in the Unit Type field and the corresponding **Rent** page displays.
3. Enter the new data.
4. Click on  and the save was successful message displays.

17.4.11.6 Final Review

The Final Review page displays all the fields pertaining to the contract renewal in one scrolling page. The information in this page is view-only. Any necessary changes to any of the fields must be made in the appropriate page, accessed via one of the links displayed at the top. This page can be printed for review.


17.4.12 Option 6: Notification of the Intention to Opt Out of Section 8 Contract

An owner can request to opt out of the Section 8 program if the relevant notification requirements are satisfied, and if there is no restriction to opting out, for example, preservation properties or Portfolio Re-engineering Demonstration properties.

A concentrated effort should be made to inform owners of all available options, including Mark-Up-To-Market (Option 1) in the event an owner notifies you of the intention to opt out.

For detailed information on Opt-Out (option 6), please refer to the *HUD Section 8 Renewal Policy* and the related attachments.

The **6: Notification of the Intention to Opt-Out** page allows you to enter information where an owner chooses to opt-out of the Section 8 contract. You can indicate whether or not tenant-based assistance is requested, the associated date of the funding request, the date funding is confirmed, whether or not the tenants are relocated, and any pertinent comments.

 *Note: If a MAHRA Opt-out (option 6) exists for a contract, you will not be able to add a new contract function for the contract.*

The screenshot shows the 'Dates and Comments' form for Option 6. The sidebar on the left contains links: Portfolio Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The top navigation bar includes: Section 8 Contract Processing List, PRAC Contract Processing List, Function / Contract Selection, and Function Detail. The main content area has a 'Save' and 'Reset' button. Below this, the 'Surviving Contract' is FL290046007, 'Function Type' is Opt-Out, and 'Effective Date' is 06/01/2015. The 'Stage' is N/A, and the 'Action' is FY 2014 - 6: Notification of the intention to Opt-out of the Section 8 Contract. The 'ARAMS Status' is also shown. The form contains several radio button options: 'HUD Refused to Renew Contract' (Yes, No, Unconfirmed), 'Tenant Based Assistance Requested for Section 8 Units' (Yes, No, Unconfirmed), 'Date Funding Requested' (calendar icon), 'Date Funding Confirmed' (calendar icon), 'Date of Owner Opt-Out Notification to Tenants' (calendar icon), 'Residual Receipts Required to be returned to HUD' (Yes, No, Unconfirmed), 'Tenants Relocated' (Yes, No, Unconfirmed), and 'Have all available program options, including MUP2M, been discussed with the owner?' (Yes, No, Unconfirmed). A 'Decision Comments' text area is at the bottom.

Figure 17-99. Dates and Comments for Option 6

To enter information for an Owner Opt-out (Option 6)

- On the **Owner Opt-out** page, enter the following Information:
 - HUD Refused to Renew Contract*, select radio button
 - Tenant Based Assistance Requested for Section 8 Units*, select radio button
 - Date Funding Requested* (mm/dd/yyyy)
 - Date Funding Confirmed* (mm/dd/yyyy)
 - Date of Owner Opt-Out Notification to Tenants* (mm/dd/yyyy)
 - Residual Receipts Required to be returned to HUD*, select radio button
 - Tenants Relocated*, select radio button
 - Have all available program options, including MUP2M, been discussed with the owner?*, select radio button
 - Decision Comments*
- Click on **Save** and a message that the save was successful displays.

Note: There are no navigational links across the top of the page for an Owner Opt-out (Option 6).

17.5 Amend Rents

This section details the flow of the automated amend rent process in **iREMS** for contracts that have renewed under MAHRA for options 1a, 1b, 2, 3a, 3b, 4, and 5a. 150 days prior to the expiration date of the contract or the funding term **iREMS** will:

- Determine if a new comp study is due or if an existing comp study needs to be adjusted. If the latter, an auto OCAF adjustment of the comparable rents will occur.
- Determine if the contract or funding term is expiring and create the related amend rents record.
- Generate a contract based event notification advising the PM or PBCA that an amend rents record was created.

The PM or PBCA should validate and/or edit the information in **iREMS**.

Assuming that all amend rent documentation has been received; the following is applicable for completing the process for a renewal in **iREMS**.

1. Validate and save information on the **Function/Contract Selection** page.
2. Generate the Auto OCAF Letter
3. O/A sends letter back with rent increase selection
4. Set Rents Final Indicator to “yes” when complete.
5. Upon funding, Rent Schedule is signed and returned to O/A.

On the **Comparability Study Selection** page for Amend Rents on *Options 1a, 1b, 2, 4 and 5b* a **Fiscal Year** column has been added.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
						2	1750

Figure 17-100. Comparability Study Selection page

On the **Budget Selection** page for Amend Rents on *Options 2, 4 and 5b* a **Fiscal Year** column has been added.

Figure 17-101. Budget Selection page

On the **Rents** page the *Utility Allowance Effective Date* will be added to all Amend Rent options. The *Utility Allowance Effective Date* field will initially come from TRACS. The changes will be made in iREMS and passed to ARAMS. After the record is locked, ARAMS will pass the change to TRACS.

Also on the **Rents** page, three fields will appear for all Amend Rent records. The fields are:

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): **Existing**
 Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): **Modified**
 Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): **New**

Figure 17-102. Rents page

iREMS sends this data to ARAMS which in turn updates other HUD systems. iREMS will receive renewal status updates from these systems and display the current status of the renewal.

17.5.1 1a and 1b Amend Rents without a Comparability Study Due

If the rents are expiring on a multi-term contract or stage already renewed under MAHRA, *and the contract/stage is not expiring*, iREMS will create an amend rents record. If the contract was previously

renewed using options 1a or 1b, and a new comparability study is not due, the contract is eligible for an auto OCAF increase, and many of the fields on the amend rents detail pages will be pre-populated. Some of the fields are editable on the 1a/1b amend rents pages.

Once an Amend Rents Record is created a contract-based event notification (*Amend Rents Record Created, Automatic Rent Increase Notification Due*) message is sent to the assigned PM or PBCA.

If a new comparability study is not due and the appraiser's signature date is not older than five years, the system will adjust by OCAF for the OCAF comparison. If the most recent comparability study has the same fiscal year as the fiscal year of the new contract renewal or rent effective date, no additional comparability study data needs to be added. If the comparability study does not have the same fiscal year as the fiscal year of the new contract renewal or rent effective date, iREMS will use existing comp study data and create a new comparability study record to adjust by the OCAF factor for the fiscal year, as occurs if the comparability study is adjusted by OCAF manually via the system.

In addition, if a valid comparability study exists in the system (i.e., one that will not become more than five years old), iREMS will automatically associate the comparability study to the renewal. The association will remain editable.

PBCAs and PMs are required to finalize the amend rents record. You have the option of updating the amend rents record (e.g., updating the debt service used in the OCAF calculation) until the rents are finalized. Once the amend rents record is set to rent final the processing status will be set to Completed. After the record is finalized and the record is picked up by ARAMS you can no longer make any changes. The PM or PBCA will generate the letter and exhibit A and send to the owner for signature and rent increase type then update the dates in the OCAF tab and then finalize.

To update an automated **MAHRA Amend Rent** increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. On the left is a navigation menu with options: Portfolio Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection' (active), and 'Function Detail'. Below the tabs is a 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. A table titled 'Contract(s) and/or Stage(s):' contains one row with the following data: Select (checked), Contract # (CA39T851008), Stage (N/A), Expiration Date at Contract Stage Expiration (06/30/2030), and Original Contract Effective Date Prior to October 1981? (N). Below the table, there are several fields: 'Surviving Contract: CA39T851008', 'HUD Policy: User Guide', 'Fiscal Year: 2013', 'Contract Function: MAHRA Amend Rent Increases' (dropdown), 'Contract Action Selection: 1a: Mark-Up-To-Market Eligibility' (dropdown), and 'Processing Status(if applicable): Option Selected - In Process' (dropdown).

Figure 17-103. Function/Contract Selection page

Note: The message “Please Confirm fields pre-set by the system and save” only displays the first time you access the record. Validate the information and click on save. The message is replaced by the “save successful message”. You will not see the message the next time you select this record.

2. The following information is pre-populated:

- *Contract*
- *HUD Policy*
- *Fiscal Year*
- *Contract Function*
- *Contract Action Selection*
- *Processing Status*

3. Click on **Save**.

4. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Dates and Comments

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility
ARAMS Status:

Amend Rents Dates

Amend Rents Effective Date: 07/01/2013
Amend Rents Expiration Date: 06/30/2014

Contract/Stage Date Information

Contract/Stage Renewal Execution Date: 06/26/2010
Contract Effective Date: 240
Length of Contract in Months: 240
Contract Expiration Date: 06/30/2030

Decision Comments:

Rent Final 7/24/13 but iREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.

Figure 17-104. Dates and Comments page

5. Validate the following pre-populated fields on the **Dates and Comments** page:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*
- *Contract Effective Date*
- *Contract Expiration Date*

6. Click on the *Comparability Study* tab and the **Comparability Study Selection** page displays.

Comparability Study Selection

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility
ARAMS Status:

Comparability Study Required? ☒ Yes ☐ No ☐ Unconfirmed

Comparability Study:

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
						2	1750

Figure 17-105. Comparability Study page

7. Select "No" in the Comparability Study Required field.
8. Click on **Save** and the *Save Successful* message displays.
9. Click on the *OCAF* tab and the **OCAF** page displays.

OCAF	
Surviving Contract: CA39T851008	
Function Type: Amend Rents	
Effective Date: 07/01/2013	
Stage: N/A	
Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility	
ARAMS Status:	
<p>Eligible for Auto OCAF: <input checked="" type="radio"/> Yes <input type="radio"/> No</p> <p>Date Auto OCAF Sent to Owner: 02/04/2013</p> <p>Date Rents Package Received from Owner: 07/01/2013</p> <p>Owner Selected Auto OCAF: <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> Unconfirmed</p>	
OCAF Rent Adjustments	
Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:	508800.00
Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process:	379776.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	12372.00
Annual Project Rent Potential:	382692.00
Expiring Section 8 Portion of Total Rent Potential:	0.97
Annual Project Debt Service:	153657.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	149047.29
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	221272.71
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%)	226361.98
OCAF Adjusted Contract Rent Potential:	375409.27
Rent Increase Factor:	1.014

Figure 17-106. OCAF

10. Validate the following fields:
 - *Eligible for Auto OCAF*
 - *Date Auto OCAF Sent to Owner*
 - *Date Rents Package Received from Owner*
 - *Owner Selected Auto OCAF*
 - *Annual Rent Potential for all Section 8 Units included in the Current Process*
 - *Annual Comparable Rent Potential for Units Included in the Current Process*
 - *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*
 - *Annual Rent Potential Non-Section 8 Units*
 - *Annual Project Debt Service: Note: Already includes MIP amount*

Note: When the "Annual Project Debt Service" is changed, the "Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

11. Click on the *Rents* tab and the **Rents** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Auto OCAF Letter Final Review

Rents [Save] [Reset]

Surviving Contract: CA39TB51008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility
Effective Date: 07/01/2013 ARAMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent: Budget Based

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	18	1056	1071	1083	1083
1	4	1066	1081	1093	1093
2	4	1249	1266	1281	1281
2	2	1296	1314	1329	1329
Rent Potentials					
Monthly		30860	31294	31648	31648
Annual		370320	375528	379776	379776

Renewal Rent Effective Date: 07/01/2013

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments: UA changed from \$33 to \$27 for 1 BR and from \$49 to \$35 for 2 BR to be effective 8/30/13.

Utility Allowance Changed: Yes

Figure 17-107. Rents page

12. Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

13. Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.

Figure 17-108. Auto OCAF Letter Input page

14. Click on drop down menu for the Addressee and a list of addressees' displays.

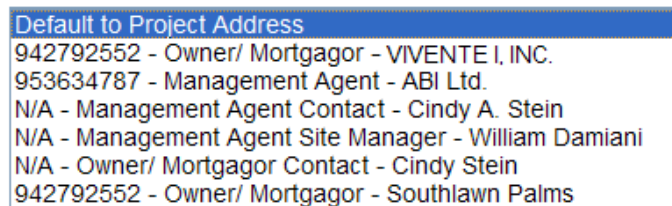


Figure 17-109. Addressee drop down list

15. Select the appropriate address. (Defaults to Project Address)
16. Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
17. Click on **Generate Letter** and a *File Download* box displays.

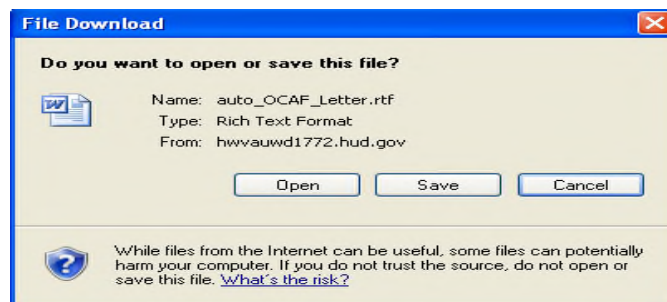


Figure 17-110. File Download box

18. Click on **Open** and the letter is generated in **Microsoft Word**.

(options 1 and options 3 generate the Letter A)


	U.S. Department of Housing and Urban Development San Francisco Multifamily Hub 600 Harrison Street, 3rd Floor San Francisco, CA 94107-1387
VIVENTE I, INC. 2400 ENBORG LN SAN JOSE, CA 95128-2641	10/22/2013
Subject: Automatic OCAF Rent Increase Vivente I CA39T851008/121EH229 Rent Comparability Study Expires: N/A	
Dear Owner/ Mortgagor:	
<p>Vivente I is in a multi-year Housing Assistance Payments Contract and, as such, is eligible for an automatic OCAF rent increase to become effective 07/01/2013. The rent increase factor is 1.014. The debt service amount used in the calculation of new rents is \$153,657.00.</p> <p>Should you elect this rent increase, the new rents for Vivente I will be as indicated on the attached Exhibit A. Complete, execute, and return three (3) forms HUD-92458 Rent Schedule Low Rent Housing to your HUD/PBCA within 10 days of receipt of this package.</p> <p>Indicate below which rent increase option you are requesting be applied in the upcoming contract year. Complete the Project information section that follows, and return this Notice and any attachments to your HUD/PBCA within 10 days of receipt of this package (check one).</p>	
<p><input type="checkbox"/> I elect to receive the attached automatic OCAF rent increase.</p> <p><input type="checkbox"/> I elect to receive the attached automatic OCAF rent increase, and am submitting a Utility Analysis and recommendation for a change to the Utility Allowances. Supporting documentation is enclosed.</p> <p><input type="checkbox"/> I request a <u>zero</u> budget-based rent adjustment in lieu of the OCAF adjustment and understand that this will result in renewed funding at current rents. I further understand that the OCAF adjustment for this year may not be recouped retroactively in the future. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances. My signature on this letter certifies that I have reviewed the project's income and expenses and they are at levels that will enable me to continue to provide decent, safe and sanitary housing.</p>	
<hr/> <div style="display: flex; justify-content: space-between;"><div>Attachment Amend Rents Auto OCAF Part B</div><div>form HUD-9627 (02/2009)</div></div>	

Figure 17-111. Auto OCAF Rent Increase Letter A - page 1

<p><input type="checkbox"/> I request a Budget Based Rent Increase for the upcoming contract year. The required documentation for this rent increase is enclosed. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances.</p> <p><input type="checkbox"/> Other: _____</p>
<hr/> <div style="display: flex; justify-content: space-between;"><div>Attachment Amend Rents Auto OCAF Part B</div><div>form HUD-9627 (02/2009)</div></div>

Figure 17-112. Auto OCAF Rent Increase Letter A - page 2

I (We) hereby **certify** that the debt service amount of \$153,657.00 and the non-section 8 rent potential amount of \$12,372.00 are true, accurate and complete to the best of my (our) knowledge and belief.

Project Name: _____

Owner Name: _____

Owner Signature: _____ Date: _____

Should you have any questions, please contact our office. It is very important that you send your response to the attention of _____.

Sincerely,

Jane Mills
Project Manager

OMB Control #2502-0587
Exp. (10/31/2012)

Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for purposes of determining rent adjustments and will be used for estimating new rents. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Attachment
Amend Rents Auto OCAF Part B

form HUD-9627 (02/2009)

Figure 17-113. Auto OCAF Rent Increase Letter A - page

EXHIBIT A

IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS

Section 8 Contract Number: CA39T851008
FHA Project Number: 121EH229
Effective Date of the Rent Increase: 07/01/2013

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
18	1	\$1,083.00	\$27.00	\$1,110.00
4	1	\$1,093.00	\$27.00	\$1,120.00
4	2	\$1,281.00	\$35.00	\$1,316.00
2	2	\$1,329.00	\$35.00	\$1,364.00


Do not submit a Gross Rent Change through TRACS until the HUD-92458 Rent Schedule has been returned to you duly executed from your HUD/PBCA office.

Note: (1) This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the Renewal Contract.
(2) These rents are applicable with the Amend Rents Automatic OCAF for this effective Date.

Attachment
Amend Rents Auto OCAF Part B

form HUD-9627 (02/2009)

Figure 17-114. Exhibit A - Letter A – page 4

19. Use **Microsoft Word** to print your document.
20. Click on  to close the **Auto OCAF Letter**.
21. Click on *Final Review* tab to review all information.

17.5.2 1a and 1b Amend Rents with a Comparability Study Due

If the rents are expiring on a multi-term contract already renewed under MAHRA, *and the contract is not expiring*, iREMS will create an amend rents record. If the contract was previously renewed using options 1a or 1b, and a new comparability study is due only certain fields are pre-populated for the new 1a/1b amend rents pages.

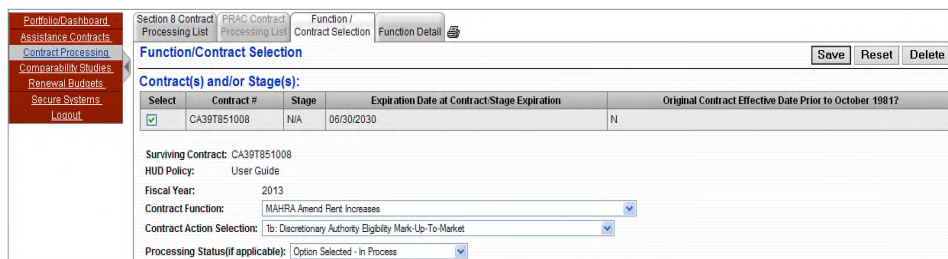
If the contract most recently renewed under options 1a, or a 1b, the comparability study expires if the appraiser's signature date will be 5 years or older at the expiration of the contract or the new rent effective date of the amend rents record.

Once an amend rents record is created a contract-based event notification (*Amend Rents Record Created, Comp Study Due - New Rents Must be set to Comparable*) will be generated and sent to the assigned PM and CA. PMs and PBCAs can link from the event directly to the **Function/Contract Selection** page displaying the data for the related amend rents record.

PMs and PBCAs are required to finalize the amend rents record. You have the option of updating the amend rents record until the rents are finalized. The Rents Final for Contract Exhibit radio button is disabled until the *Date Rents Package Received from Owner* field is populated with a valid date. Once the Amend Rents record is set to rent final the Processing Status will be set to Completed and the record is ready to be picked up by **ARAMS**. Once a record is picked up by **ARAMS** no changes can be made.

To update an automated MAHRA 1a/1b Amend Rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.



Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA39T851008	N/A	06/30/2030	N

Surviving Contract: CA39T851008
 HUD Policy: User Guide
 Fiscal Year: 2013
 Contract Function: MAHRA Amend Rent Increases
 Contract Action Selection: To: Discretionary Authority Eligibility Mark-Up-To-Market
 Processing Status(if applicable): Option Selected - In Process

Figure 17-115. Function/Contract Selection page

2. The following information is pre populated:
 - *Contract Number*

- *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
3. Fill in the following information:
- *Date Owner Signed Submission*
 - *Date Owner Submission Package Initially Received*
 - *Date Complete Package Received from Owner*
 - *Is the Owner Debarred or Suspended?*
 - *Does the Owner Have Material Violations?*
4. Click on **Save** and the *Save Successful* message displays
5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Section 8 Contract Processing List | PRAC Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | Comparability Study Selection | OCAF | Rents | Auto OCAF Letter | Final Review

Dates and Comments [Save] [Reset]

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 1b: Discretionary Authority Eligibility Mark-Up-To-Market
ARAMS Status:

Amend Rents Dates

Amend Rents Effective Date: 07/01/2013
Amend Rents Expiration Date: 06/30/2014

Contract/Stage Date Information

Contract/Stage Renewal Execution Date: 06/26/2010
Contract Effective Date: 240
Length of Contract in Months: 240
Contract Expiration Date: 06/30/2030

Decision Comments:

Rent Final 7/24/13 but IREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.

Figure 17-116. Dates and Comments page

Validate the following pre-populated fields on the **Dates and Comments** page:

- *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
 - *Contract Effective Date*
 - *Contract Expiration Date*
6. Click on the *Comparability Study* tab and the **Comparability Study** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
<input type="checkbox"/>						2	1750

Figure 17-117. Comparability Study Selection page

7. Select “Yes” in the *Comparability Study Required* field. Check the box in front of the comparability study you want to apply to this option.
8. Click on **Save** and the *Save Successful* message displays
9. Click on the *OCAF* tab and the **OCAF** page displays

Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Comparable Rent Potential for Units Included in the Current Process:	508800.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	12372.00
Annual Project Rent Potential:	382692.00
Expiring Section 8 Portion of Total Rent Potential:	0.97
Annual Project Debt Service:	153657.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	149047.29
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	221272.71
Annual Expiring Section 8 Rent Potential Attributed to Operations Multiplied by the Published OCAF (2.300%):	226361.98
OCAF Adjusted Contract Rent Potential:	375409.27
Rent Increase Factor:	1.014

Figure 17-118. OCAF page

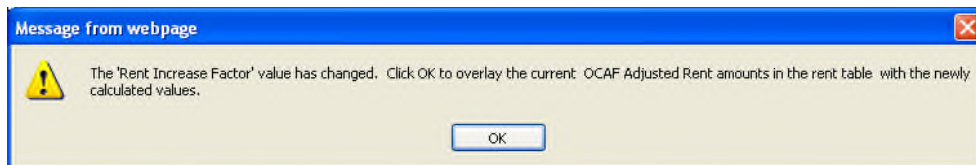
Validate the following fields

- *Eligible for Auto OCAF*
- *Date Auto OCAF Sent to Owner*
- *Date Rents Package Received from Owner*
- *Owner Selected Auto OCAF*
- *Annual Rent Potential for all Section 8 Units included in the Current Process*
- *Annual Comparable Rent Potential for Units Included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the*

Current Process)

- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: Already includes MIP amount*

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

10. Click on the *Rents* tab and the **Rents** page displays.

Section 8 Contract Processing List | PRAC Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | Comparability Study Selection | OCAF | Rents | Auto OCAF Letter | Final Review

Save | Reset

Surviving Contract: CA39T851008 | Stage: N/A
Function Type: Amend Rents | Action: FY 2013 - 1b: Discretionary Authority Eligibility Mark-Up-To-Market
Effective Date: 07/01/2013 | ARAMS Status:

Add New Rent Record | Overlay Rents with Current Rents from TRACS

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Current Gross Rent at Expiration	OCAF Adjusted Gross Rent	Renewed Gross Rent
1	18	1089	1104	1110
1	4	1099	1114	1120
2	4	1298	1315	1316
2	2	1345	1363	1364
Rent Potentials				
Monthly		31880	32314	32452
Annual		382560	387768	389424

Renewal Rent Effective Date:

Approved by Housing HQ Date:

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:


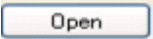

Utility Allowance Changed Comments:

Utility Allowance Changed:

Figure 17-119. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

11. Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.
12. Click on drop down menu for the Addressee and a list of addressees' displays.
13. Select the appropriate address. (Default to Project Address)
14. Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
15. Click on  and a *File Download* box displays.
16. Click on  and the letter is generated in **Microsoft Word**.
(options 1 and options 3 generate the Letter A)
17. Use **Microsoft Word** to print your document.
18. Click on  to close the **Auto OCAF Letter**.
19. Click on the *Final Review* tab to review all information.

17.5.3 Option 2 Amend Rents without a Comparability Study Due

If the rents or funding term is expiring on a multi-term contract already renewed under MAHRA, *and the contract is not expiring*, iREMS will create an amend rents record. If the contract was previously renewed using option 2, and a new comparability study is not due the following data will be pre-populated for the new option 2 amend rents pages:

Once an amend rents record is created a contract-based event notification (*Amend Rents Record Created, Automatic Rent Increase Notification Due to be Sent to Owner/Agent*) is generated and sent to the assigned PM and PBCA. You can link from the event directly to the **Contract/Option Selection** page displaying the data for the related amend rents record.

If a new comparability study is not due and the appraiser's signature date is not older than five years, the system will adjust by OCAF for the OCAF comparison. If the most recent comparability study has the same fiscal year as the fiscal year of the new contract renewal or rent effective date, no additional comparability study data needs to be added. If the comparability study does not have the same fiscal year as the fiscal year of the new contract renewal or rent effective date, iREMS will use existing comp study data and create a new comparability study record to adjust by the OCAF factor for the fiscal year, as occurs if the comparability study is adjusted by OCAF manually via the system.

In addition, if a valid comparability study exists in the system (i.e., one that will not become more than five years old), iREMS will automatically associate the comparability study to the renewal. The association will remain editable.

PMs and PBCAs are required to finalize the amend rents record. You have the option of updating the amend rents record until the rents are finalized and the record is picked up by **ARAMS**. The Rents Final for Contract Exhibit radio button is disabled until the *Date Rents Package Received from Owner* field is populated with a valid date. Once the Amend Rents record is set to rent final the Processing Status will be set to Completed.

In addition, you can generate the letter and an exhibit A by selecting the Auto OCAF tab on the detail pages. The letter contains a new rent schedule based upon the OCAF adjusted rents. Since the owner can receive a budget-based increase for this option, they will have to indicate if they want an increase other than the OCAF increase.

To update an automated MAHRA 2 Amend Rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. On the left is a navigation menu with options: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for Section 8 Contract Processing List, PRAC Contract Processing List, and Function/Contract Selection (active). Below the tabs are 'Save', 'Reset', and 'Delete' buttons. The title is 'Function/Contract Selection'. Below this is a table titled 'Contract(s) and/or Stage(s):' with columns: Select, Contract #, Stage, Expiration Date at Contract/Stage Expiration, and Original Contract Effective Date Prior to October 1981?. A single row is shown with a checked 'Select' box, Contract # CA397851008, Stage N/A, Expiration Date 06/30/2030, and Original Date N. Below the table, there are several fields: 'Surviving Contract: CA397851008', 'HUD Policy: User Guide', 'Fiscal Year: 2013', 'Contract Function: MAHRA Amend Rent Increases' (dropdown), 'Contract Action Selection: 2: Request Renewal Without Restructuring at or Below Comparable Rents' (dropdown), and 'Processing Status(if applicable): Option Selected - In Process' (dropdown).

Figure 17-120. Function/Contract Selection page

2. The following information is pre populated:
 - *Contract Number*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*

- *Processing Status*

3. Click on **Save**.

4. Click on the *Function Detail* tab and the **Dates and Comments** page displays.

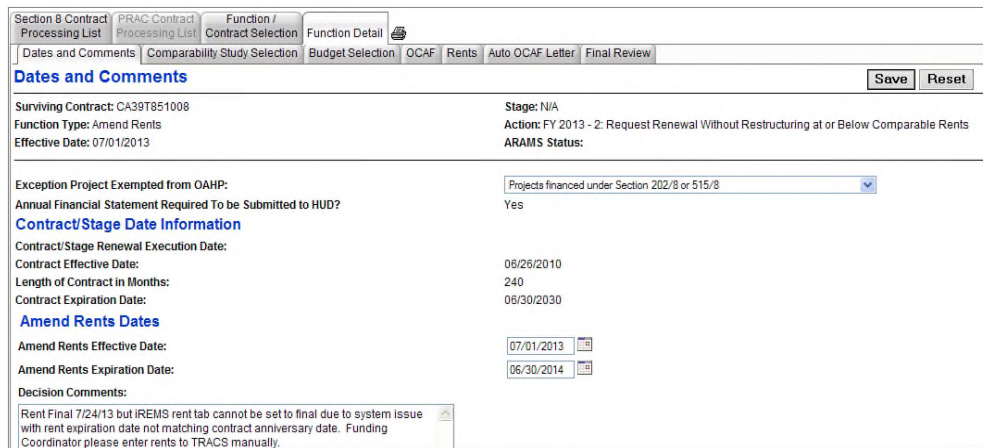
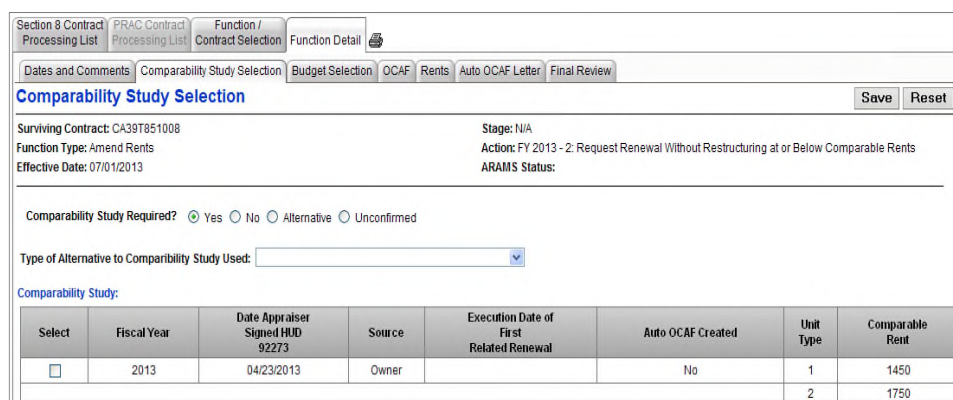


Figure 17-121. Dates and Comments page

5. Verify the following pre-populated fields:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*
- *Contract Effective Date*
- *Contract Expiration Date*

6. Click on the *Comparability Study Selection* link and the Comparability page displays.



Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
						2	1750

Figure 17-122. Comparability Study Selection page

7. Select “No” in the *Comparability Study Required* field.

Note: For auto OCAF amend rents, if the comparability study is not expiring then the prior year's comp will automatically be increased by OCAF, and the new increased OCAF comparability study will be auto selected, but will remain editable.

8. Click on the *Budget Selection* tab and the **Budget Selection** page displays. Confirm if Renewal Budget is required and what Renewal Budget Type.

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2013	07/02/2013	2.53	1	1083
				1	1093
				2	1281
				2	1329

Figure 17-123. Budget Selection page

9. Click on the *OCAF* tab and the **OCAF** page displays.

Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:	0.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	12372.00
Annual Project Rent Potential:	382692.00
Annual Project Debt Service:	153657.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	149047.29
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	221272.71
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%)	226361.98
OCAF Adjusted Contract Rent Potential:	375409.27
Rent Increase Factor:	1.014

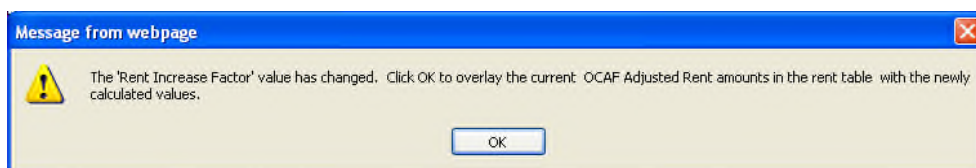
Figure 17-124. OCAF page

Verify the following fields.

- *Eligible for Auto OCAF*
- *Date Auto OCAF Sent to Owner*
- *Date Rents Package Received from Owner*

- Owner Selected Auto OCAF
- Annual Rent Potential for all Section 8 Units included in the Current Process
- Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process
- Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)
- Annual Rent Potential Non-Section 8 Units
- Annual Project Debt Service: Note: Already includes MIP amount

Note: When the "Annual Project Debt Service" is changed, the "Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

10. Click on the **Rents** tab and the **Rents** page displays.

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	18	1056	1071	1083	1071
1	4	1066	1081	1093	1081
2	4	1249	1266	1281	1266
2	2	1296	1314	1329	1314
Rent Potentials					
Monthly		30860	31294	31648	31294
Annual		370320	375528	379776	375528

Renewal Rent Effective Date: 07/01/2013

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments: UA changed from \$33 to \$27 for 1 BR and from \$49 to \$35 for 2 BR to be effective 8/30/13.

Utility Allowance Changed: No

Figure 17-125. Rents page

11. Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

Note: HUD Approved Rents drop-down will go to blank if the rent is modified by the user in any of the Calculated Renewal Rents Detail records. This is to indicate that there has been a manual override to the calculated amounts. However, the user should be able to change the utility allowance on the rent detail page and the HUD Approved Rents drop down will not be affected.

Note: For option 2 where the comparability study is not expiring, the only options that should appear in the 'HUD Approved rent drop down should include: <blanks>, 'OCAF Adjusted' and 'Budget-Based'. If you attempt to select 'Budget-based' and the budget-based rent potential exceeds the comparable rent potential, an error message (Budget-based rent potential cannot exceed the comparable rent potential) displays.

12. Click on **Save** and the *save successful* message displays.


13. Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.

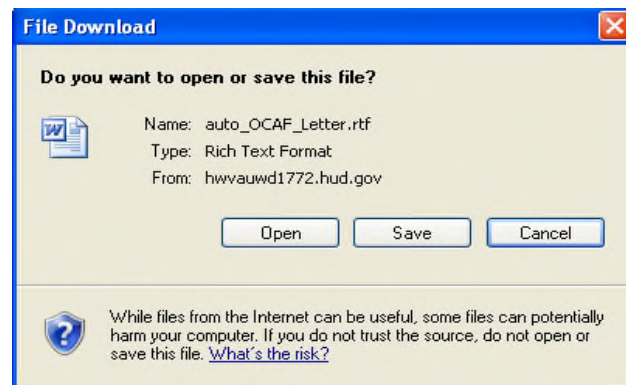
Figure 7-126. Auto OCAF Letter Input page

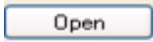
14. Click on drop down menu for the Addressee and a list of addressees' displays.

Default to Project Address
942792552 - Owner/ Mortgagor - VIVENTE I, INC.
953634787 - Management Agent - ABI Ltd.
N/A - Management Agent Contact - Cindy A. Stein
N/A - Management Agent Site Manager - William Damiani
N/A - Owner/ Mortgagor Contact - Cindy Stein
942792552 - Owner/ Mortgagor - Southlawn Palms

Figure 17-127. Addressee drop down list

15. Select the appropriate address. (Defaults to Project Address)
16. Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
17. Click on  and a *File Download* box displays.



18. Click on  and the letter is generated in **Microsoft Word**.
(option 2 and option 4 generate the Letter *B*)


	U.S. Department of Housing and Urban Development San Francisco Multifamily Hub 600 Harrison Street, 3rd Floor San Francisco, CA 94107-1387
SUNNYVALE LIFE, INC. 450 Old San Francisco Road SUNNYVALE, CA 94086-6392	03/19/2012
Subject: Automatic OCAF Rent Increase LIFES GARDEN CA39L000063/12138079 Rent Comparability Study Expires: 05/26/2014	
Dear Owner/ Mortgagor:	
LIFES GARDEN is in a multi-year Housing Assistance Payments Contract and, as such, is eligible for an automatic OCAF rent increase to become effective 10/01/2011. The rent increase factor is 1.014. The debt service amount used in the calculation of new rents is \$390,876.17.	
Should you elect this rent increase, the new rents for LIFES GARDEN will be as indicated on the attached Exhibit A. Complete, execute, and return three (3) forms HUD-92458 Rent Schedule Low Rent Housing to your HUD/PBCA within 10 days of receipt of this package.	
Indicate below which rent increase option you are requesting be applied in the upcoming contract year. Complete the Project information section that follows, and return this Notice and any attachments to your HUD/PBCA within 10 days of receipt of this package (check one).	
<input type="checkbox"/> I elect to receive the attached automatic OCAF rent increase.	
<input type="checkbox"/> I elect to receive the attached automatic OCAF rent increase, and am submitting a Utility Analysis and recommendation for a change to the Utility Allowances. Supporting documentation is enclosed.	
<input type="checkbox"/> I request a zero budget-based rent adjustment in lieu of the OCAF adjustment and understand that this will result in renewed funding at current rents. I further understand that the OCAF adjustment for this year may not be recouped retroactively in the future. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances. My signature on this letter certifies that I have reviewed the project's income and expenses and they are at levels that will enable me to continue to provide decent, safe and sanitary housing.	
<hr/>	
Attachment Amend Rents Auto OCAF Part B	form HUD-9627 (02/2009)

Figure 17-128. Auto OCAF Rent Increase Letter B - page 1

<p><input type="checkbox"/> I request a Budget Based Rent Increase for the upcoming contract year. The required documentation for this rent increase is enclosed. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances.</p> <p><input type="checkbox"/> Other: _____</p>
<p>Attachment Amend Rents Auto OCAF Part B</p> <p>form HUD-9627 (02/2009)</p>

Figure 17-129. Auto OCAF Rent Increase *Letter B* - page 2

<p>I (We) hereby certify that the debt service amount of \$390,876.17 and the non-section 8 rent potential amount of \$582,192.00 are true, accurate and complete to the best of my (our) knowledge and belief.</p> <p>Project Name: _____</p> <p>Owner Name: _____</p> <p>Owner Signature: _____ Date: _____</p> <p>Should you have any questions, please contact our office. It is very important that you send your response to the attention of _____</p> <p>Sincerely,</p> <p>Laura Moore Project Manager</p> <p>OMB Control #2502-0587 Exp. (10/31/2012)</p> <p>Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for purposes of determining rent adjustments and will be used for estimating new rents. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured.</p> <p>Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.</p> <p>Attachment Amend Rents Auto OCAF Part B</p> <p>form HUD-9627 (02/2009)</p>
--

Figure 17-130. Auto OCAF Rent Increase *Letter B* - page 3

EXHIBIT A

IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS

Section 8 Contract Number: CA39L000063
FHA Project Number: 12138079
Effective Date of the Rent Increase: 10/01/2011

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
75	0	\$741.00	\$50.00	\$791.00
75	1	\$864.00	\$0.00	\$864.00


Do not submit a Gross Rent Change through TRACS until the HUD-92458 Rent Schedule has been returned to you duly executed from your HUD/PBCA office.

Note: (1) This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the Renewal Contract.
(2) These rents are applicable with the Amend Rents Automatic OCAF for this effective Date.

Attachment
Amend Rents Auto OCAF Part B

form HUD-9627 (02/2009)

Figure 17-131. Exhibit A - Part B – page 4

19. Use Microsoft Word to print your document.
20. Click on  to close the **Auto OCAF Letter**.
21. Click on the *Final Review* tab to review all information.

17.5.4 Option 2 Amend Rents with a Comparability Study Due

If the rents or funding term is expiring on a multi-term contract already renewed under MAHRA, *and the contract is not expiring*, iREMS will create an amend rents record. If the contract was previously renewed using option 2, and a new comparability study is due data will be pre-populated for the new option 2 amend rents on specific pages.

If the contract most recently renewed under option 2, the comparability study expires if the appraiser's signature date will be 5 years or older at the expiration of the contract or the new rent effective date of the amend rents record.

Once an amend rents record is created a contract-based event notification (*Amend Rents Record Created, Comp Study Due – New Rents must be set to Comparable*) is generated and sent to the assigned PM

and/or PBCA. You can link from the event directly to the **Contract/Option Selection** page displaying the data for the related amend rents record.

PMs and PBCAs are required to finalize the amend rents record. You have the option of updating the amend rents record until the rents are finalized and the record is picked up by **ARAMS**. The Rents Final for Contract Exhibit radio button is disabled until the *Date Rents Package Received from Owner* field is populated with a valid date. Once the Amend Rents record is set to rent final the Processing Status will be set to Completed.

To update an automated MAHRA 2 Amend Rents Only rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. On the left is a navigation menu with links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs: Section 8 Contract Processing List, PRAC Contract Processing List, Function / Contract Selection (active), and Function Detail. Below the tabs is a 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. A table titled 'Contract(s) and/or Stage(s):' contains one row with a checked 'Select' box, Contract # CA39T851008, Stage N/A, Expiration Date at Contract/Stage Expiration 06/30/2030, and Original Contract Effective Date Prior to October 1981? N. Below the table, the following fields are pre-populated: Surviving Contract: CA39T851008, HUD Policy: User Guide, Fiscal Year: 2013, Contract Function: MAHRA Amend Rent Increases (dropdown), Contract Action Selection: 2: Request Renewal Without Restructuring at or Below Comparable Rents (dropdown), and Processing Status(if applicable): Option Selected - In Process (dropdown).

Figure 17-132. Function/Contract Selection page

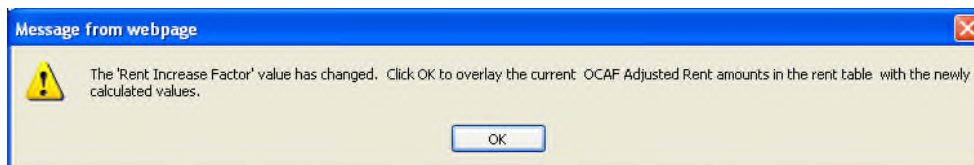
2. The following information is pre populated:
 - *Contract Number*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
3. Click on save and the *Function Detail* tab opens to the **Dates and Comments** page with the following fields pre-populated:
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
 - *Contract Effective Date*
 - *Contract Expiration Date*
4. Click on the *Comparability* link and the Comparability page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
						2	1750

Figure 17-133. Comparability Study Selection page

5. Select “Yes” in the *Comparability Study Required* field. Check the box in front of the comparability study you want to apply to this option.
6. Click on the *Budget Selection* tab and the **Budget Selection** page displays. Confirm if Renewal Budget is required and what Renewal Budget Type.
7. Click on the *OCAF* tab and the **OCAF** page displays. Validate the following fields:
 - *Eligible for Auto OCAF*
 - *Date Auto OCAF Sent to Owner*
 - *Date Rents Package Received from Owner*
 - *Owner Selected Auto OCAF*
 - *Annual Rent Potential for all Section 8 Units included in the Current Process*
 - *Annual Comparable (Owner’s) Rent Potential for Units Included in the Current Process*
 - *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*
 - *Annual Rent Potential Non-Section 8 Units*
 - *Annual Project Debt Service: Note: Already includes MIP amount*

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor” is automatically changed. The following warning message will display:



When the user switches to the *Rent* tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

8. Click on the *Rents* tab and the **Rents** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Auto OCAF Letter Final Review

Rents Save Reset

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
Effective Date: 07/01/2013 ARAMS Status:

Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: OCAF Adjusted

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	18	1056	1071	1083	1071
1	4	1066	1081	1093	1081
2	4	1249	1266	1281	1266
2	2	1296	1314	1329	1314
Rent Potentials					
Monthly		30860	31294	31648	31294
Annual		370320	375528	379776	375528

Renewal Rent Effective Date: 07/01/2013

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments: UA changed from \$33 to \$27 for 1 BR and from \$49 to \$35 for 2 BR to be effective 8/30/13.


Utility Allowance Changed: No

Figure 17-134. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

- Click on **Save** and the *save successful* message displays.
- Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.
- Click on drop down menu for the Addressee and a list of addressees' displays.
- Select the appropriate address. (Default to Project Address)
- Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
- Click on **Generate Letter** and a *File Download* box displays.
- Click on **Open** and the letter is generated in **Microsoft Word**.
(options 2 and options 4 generate the Letter B)
- Use **Microsoft Word** to print your document.

17. Click on  to close the **Auto OCAF Letter**.
18. Click on the *Final Review* tab to review all information.

17.5.5 Option 3a and 3b Amend Rents

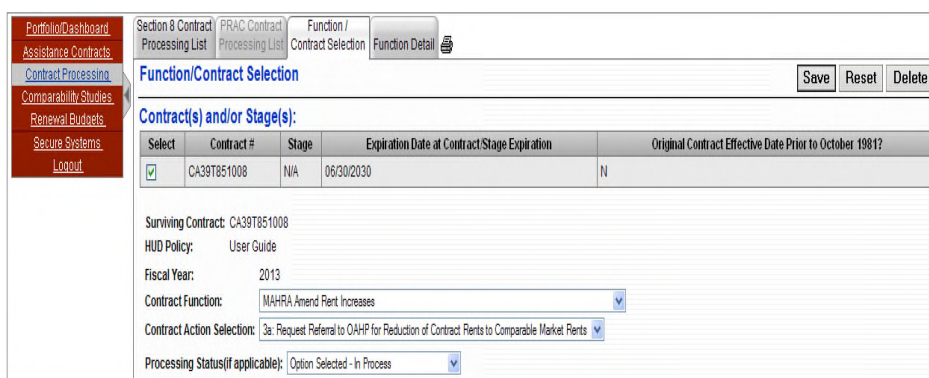
If the rents or funding term is expiring on a multi-term contract already renewed under MAHRA, *and the contract is not expiring*, iREMS will create an amend rents record. If the contract was previously renewed using option 3a or 3b, the OCAF adjusted rents will be determined and loaded as the New Rents. Comparability studies do not expire and are not required in these instances.

Once an amend rents record is created a contract-based event notification (*Amend Rents Record Create, Automatic Rent Increase Notification Due to be Sent to Owner/Agent*) is generated and sent to the assigned PM or PBCA. You can link from the event directly to the **Contract/Option Selection** page displaying the data for the related amend rents record.

PMs and PBCAs are required to finalize the amend rents record. You have the option of updating the amend rents record until the rents are finalized and the record is picked up by **ARAMS** and prior to generating the letter. Budget-based increases cannot be used in these instances. The Rents Final for Contract Exhibit radio button is disabled until the *Date Rents Package Received from Owner* field is populated with a valid date. You are still required to manually set the rents final indicator. Once the Amend Rents record is set to rent final the Processing Status will be set to Completed.

To update an automated MAHRA 3a or 3b Amend Rents increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.



The screenshot displays the 'Function/Contract Selection' page. On the left is a navigation menu with links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for Section 8 Contract Processing List, PRAC Contract Processing List, Function / Contract Selection (active), and Function Detail. Below the tabs is a 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. A table titled 'Contract(s) and/or Stage(s):' contains one row with a checked 'Select' box, Contract # CA39T851008, Stage N/A, Expiration Date at Contract/Stage Expiration 06/30/2030, and Original Contract Effective Date Prior to October 1981? N. Below the table, there are several fields: Surviving Contract: CA39T851008, HUD Policy: User Guide, Fiscal Year: 2013, Contract Function: MAHRA Amend Rent Increases (dropdown), Contract Action Selection: 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents (dropdown), and Processing Status(if applicable): Option Selected - In Process (dropdown).

Figure 17-135. Function/Contract Selection page

2. The following information is pre populated:

- *Contract Number*
- *HUD Policy*
- *Fiscal Year*
- *Contract Function*
- *Contract Action Selection*
- *Processing Status*

3. Click on **Save**.

4. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

The screenshot shows the 'Dates and Comments' page for contract CA39T851008. The page has a navigation bar with tabs: 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection', and 'Function Detail'. Below the navigation bar are sub-tabs: 'Dates and Comments', 'OCAF', 'Rents', 'Auto OCAF Letter', and 'Final Review'. The 'Dates and Comments' tab is active. The page contains the following information:

- Surviving Contract: CA39T851008
- Function Type: Amend Rents
- Effective Date: 07/01/2013
- Stage: N/A
- Action: FY 2013 - 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
- ARAMS Status:

Annual Financial Statement Required To be Submitted to HUD? Yes

[Contract/Stage Date Information](#)

Contract/Stage Renewal Execution Date: 06/26/2010

Contract Effective Date: 240

Length of Contract in Months: 240

Contract Expiration Date: 06/30/2030

[Amend Rents Dates](#)

Amend Rents Effective Date: 07/01/2013

Amend Rents Expiration Date: 06/30/2014

Decision Comments:

Rent Final 7/24/13 but IREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.

Figure 17-136. Dates and Comments page

Validate for following pre-populated fields:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*
- *Contract Effective Date*
- *Contract Expiration Date*

5. Click on the *OCAF* tab and the **OCAF** page displays

Section 8 Contract Processing List | PRAC Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | OCAF | Rents | Auto OCAF Letter | Final Review

OCAF [Save] [Reset]

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 3a: Request Referral to OAHF for Reduction of Contract Rents to Comparable Market Rents
ARAMS Status:

Eligible for Auto OCAF: ☒ Yes ☐ No

Date Auto OCAF Sent to Owner: 02/04/2013

Date Rents Package Received from Owner: 07/01/2013

Owner Selected Auto OCAF: ☐ Yes ☒ No ☐ Unconfirmed

OCAF Rent Adjustments

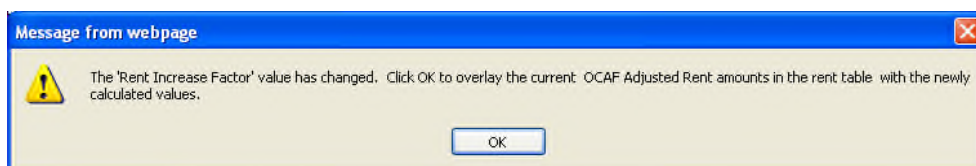
Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	12372.00
Annual Expiring Section 8 Share of Debt Service:	149047.29
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	221272.71
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%):	226361.98
OCAF Adjusted Contract Rent Potential:	375409.27
Rent Increase Factor:	1.014

Figure 17-137. OCAF page

Validate for following pre-populated fields:

- *Eligible for Auto OCAF*
- *Date Auto OCAF Sent to Owner*
- *Date Rents Package Received from Owner*
- *Owner Selected Auto OCAF*
- *Annual Rent Potential for all Section 8 Units included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*
- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: Already includes MIP amount*

Note: When the "Annual Project Debt Service" is changed, the "Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

- Click on the *Rents* tab and the **Rents** page displays.

Section 9 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments OCAF Rents Auto OCAF Letter Final Review

Rents Save Reset

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 3a: Request Referral to OAH-P for Reduction of Contract Rents to Comparable Market Rents
Effective Date: 07/01/2013 ARAMS Status:

Rents: Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: OCAF Adjusted

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Renewed Rent
1	18	1056	1071	1071
1	4	1066	1081	1081
2	4	1249	1266	1266
2	2	1296	1314	1314
Rent Potentials				
Monthly		30860	31294	31294
Annual		370320	375528	375528

Renewal Rent Effective Date: 07/01/2013

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00

Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84

Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments: UA changed from \$33 to \$27 for 1 BR and from \$49 to \$35 for 2 BR to be effective 8/30/13.


Utility Allowance Changed: No

Figure 17-138. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

- Click on **Save** and the *save successful* message displays.
- Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.
- Click on drop down menu for the Addressee and a list of addressees' displays.
- Select the appropriate address. (Default to Project Address)
- Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
- Click on **Generate Letter** and a *File Download* box displays.
- Click on **Open** and the letter is generated in **Microsoft Word**. (options 1 and options 3 generate the Letter A)
- Use **Microsoft Word** to print your document.

15. Click on  to close the **Auto OCAF Letter**.

16. Click on the *Final Review* tab to review all information.

17.5.6 Option 4 Amend Rents

If the rents or funding term is expiring on a multi-term contract already renewed under MAHRA, *and the contract is not expiring*, iREMS will create an amend rents record. If the contract was previously renewed using an option 4, the OCAF adjusted rents will be determined and loaded as the New Rents. Comparability studies are not required in these instances.

Once the amend rent record is created a contract-based event notification (*Amend Rents Record Created, Automatic Rent Increase Notification Due to be Sent to Owner/Agent*) is generated and sent to the assigned PM and PBCA. You can link from the event directly to the **Contract/Option Selection** page displaying the data for the related amend rents record.

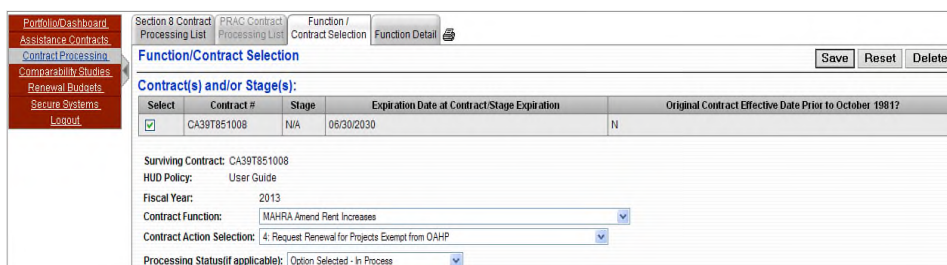
You have the option of updating the record (e.g., updating the debt service used in the OCAF calculation or changing the New Rents to budget-based) until the rents are finalized and the record is picked up by ARAMS. PMs and PBCAs are still required to manually set the rents final indicator.

The Rents Final for Contract Exhibit radio button will be disabled until the *Date Rents Package Received from Owner* is populated with a valid date. Once you have set the rent final indicator to yes the Processing Status will be set to Completed.

In addition, you can generate the Auto OCAF letter and exhibit A for the amend rent record. The letter will contain the new rent schedule reflecting the OCAF rents. The owner can receive a budget-based increase for this option, so you will have to indicate if they want an increase other than the OCAF increase.

To update an automated MAHRA 4 Amend Rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.



The screenshot displays the 'Function/Contract Selection' page. On the left is a navigation menu with links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection' (active), and 'Function Detail'. Below the tabs is a 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. A table titled 'Contract(s) and/or Stage(s):' contains one row with columns: Select, Contract #, Stage, Expiration Date at Contract/Stage Expiration, and Original Contract Effective Date Prior to October 1981? The row shows a checked box, contract # CA39T851008, stage N/A, expiration date 06/30/2030, and 'N'. Below the table, there are several fields: 'Surviving Contract: CA39T851008', 'HUD Policy: User Guide', 'Fiscal Year: 2013', 'Contract Function: MAHRA Amend Rent Increases' (dropdown), 'Contract Action Selection: 4: Request Renewal for Projects Exempt from OAHF' (dropdown), and 'Processing Status(if applicable): Option Selected - In Process' (dropdown).

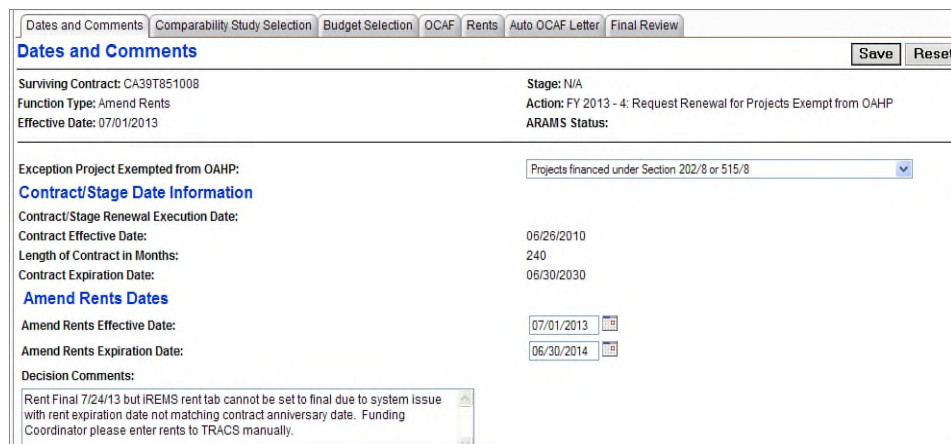
Figure 17-139. Function/Contract Selection page

2. The following information is pre populated:

- *Contract Number*
- *HUD Policy*
- *Fiscal Year*
- *Contract Function*
- *Contract Action Selection*
- *Processing Status*

3. Click on **Save**.

4. Click on the *Function Detail* tab. The **Dates and Comments** page displays.



Dates and Comments | Comparability Study Selection | Budget Selection | OCAF | Rents | Auto OCAF Letter | Final Review

Dates and Comments [Save] [Reset]

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
ARAMS Status:

Exception Project Exempted from OAHF: Projects financed under Section 202/8 or 515/8

Contract/Stage Date Information

Contract/Stage Renewal Execution Date:
Contract Effective Date: 06/26/2010
Length of Contract in Months: 240
Contract Expiration Date: 06/30/2030

Amend Rents Dates

Amend Rents Effective Date: 07/01/2013
Amend Rents Expiration Date: 06/30/2014

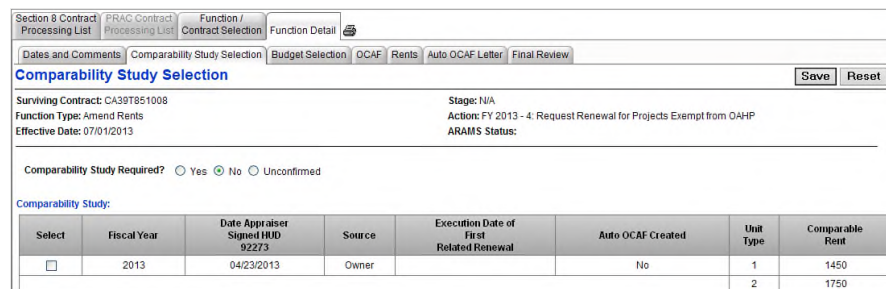
Decision Comments:
Rent Final 7/24/13 but IREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.

Figure 17-140. Dates and Comments page

5. Validate the following pre-populated fields:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*
- *Contract Effective Date*
- *Contract Expiration Date*

6. Click on the *Comparability Study* tab and the **Comparability Study** page displays. Select “No” in the *Comparability Study Required* field.



Section 8 Contract Processing List | PRAC Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | Comparability Study Selection | Budget Selection | OCAF | Rents | Auto OCAF Letter | Final Review

Comparability Study Selection [Save] [Reset]

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
ARAMS Status:

Comparability Study Required? ☐ Yes ☒ No ☐ Unconfirmed

Comparability Study:

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input type="checkbox"/>	2013	04/23/2013	Owner		No	1	1450
						2	1750

Figure 17-141. Comparability Study Selection page

7. Click on the *Budget Selection* tab and the **Budget Selection** page displays.

Budget Selection

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
ARAMS Status:

Renewal Budget Required? ☒ Yes ☐ No ☐ Unconfirmed

Renewal Budget Type: Standard Renewal Budget

Renewal Budget:

Select	Fiscal Year	Date Approved by HJO	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2013	07/02/2013	2.53	1	1083
				1	1093
				2	1281
				2	1329

Figure 17-142. Budget Selection page

8. Confirm if *Renewal Budget* is required and what *Renewal Budget Type*.
9. Click on the *OCAF* tab and the **OCAF** page displays

OCAF

Surviving Contract: CA39T851008
Function Type: Amend Rents
Effective Date: 07/01/2013

Stage: N/A
Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
ARAMS Status:

Eligible for Auto OCAF: ☐ Yes ☒ No

OCAF Rent Adjustments

Annual Rent Potential for all Section 8 Units Included in the Current Process: 370320.00

Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process: 0.00

Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process: 0.00

Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process): 0.00

Annual Rent Potential Non-Section 8 Units: 0.00

Annual Project Rent Potential: 370320.00

Expiring Section 8 Portion of Total Rent Potential: 1.00

Annual Project Debt Service: 153657.00

Note: Already includes MIP amount

Annual Expiring Section 8 Share of Debt Service: 153657.00

Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service: 216663.00

Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%): 221646.25

OCAF Adjusted Contract Rent Potential: 375303.25

Rent Increase Factor: 1.013

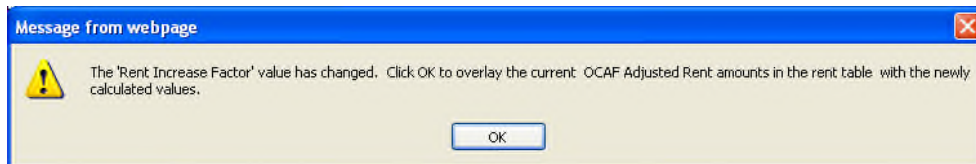
Figure 17-143. OCAF page

Validate the following fields:

- *Eligible for Auto OCAF*
- *Date Auto OCAF sent to Owner*
- *Date Rents Package Received from Owner*
- *Owner Selected Auto OCAF*
- *Annual Rent Potential for all Section 8 Units included in the Current Process*
- *Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*

- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: already includes MIP amount*

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts based on the new Rent Increase Factor.

10. Click on the *Rents* tab and the **Rents** page displays.

Rents

Surviving Contract: CA39T851008 Stage: N/A
 Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
 Effective Date: 07/01/2013 ARAMS Status:

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	18	1056	1071	1083	1071
1	4	1066	1081	1093	1081
2	4	1249	1266	1281	1266
2	2	1296	1314	1329	1314
Rent Potentials					
Monthly		30880	31294	31648	31294
Annual		370320	375528	379776	375528

Renewal Rent Effective Date:

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00
 Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84
 Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:




Utility Allowance Changed:

Figure 17-144. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

11. Click on and the *save successful* message displays.

12. Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.
13. Click on drop down menu for the Addressee and a list of addressees' displays.
14. Select the appropriate address. (Default to Project Address)
15. Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
16. Click on  and a *File Download* box displays.
17. Click on  and the letter is generated in **Microsoft Word**.
(option 2 and option 4 generate the Letter B)
18. Use **Microsoft Word** to print your document.
19. Click on  to close the **Auto OCAF Letter**.
20. Click on the *Final Review* tab to review all information.

17.5.7 Option 5a

If the rents or funding term is expiring on a multi-term contract already renewed under MAHRA, and the contract is not expiring, iREMS will create an amend rents record. If the contract was previously renewed using an option 5a for demo restructured loans only, the OCAF adjusted rents will be determined.

Once the amend rent record is created a contract-based event notification (*Amend Rents Record Created, Automatic Rent Increase Notification Due to be Sent to Owner/Agent*) is generated and sent to the assigned PM and PBCA. You can link from the event directly to the **Contract/Option Selection** page displaying the data for the related amend rents record.

You have the option of updating the record (e.g., updating the debt service used in the OCAF calculation) until the rents are finalized and the record is picked up by ARAMS. You can do this prior to the letter being generated. Budget-based increases cannot be used in these instances. PMs and PBCAs are still required to manually set the rents final indicator.

The Rents Final for Contract Exhibit radio button will be disabled until the *Date Rents Package Received from Owner* is populated with a valid date. Once you have set the rent final indicator to

yes the Processing Status will be set to Completed.

In addition, you can generate the letter and exhibit for the amend rent record. The letter will contain the new rent schedule reflecting the OCAF rent.

To update an automated MAHRA 5a Amend Rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. On the left is a navigation menu with options: Portfolio/Dashboard, Assistance Contracts, Contract Processing (selected), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection' (selected), and 'Function Detail'. Below the tabs is a 'Function/Contract Selection' header with 'Save', 'Reset', and 'Delete' buttons. A table titled 'Contract(s) and/or Stage(s):' contains one row with a checked checkbox, contract number CA39T851008, stage N/A, expiration date 06/30/2030, and 'Original Contract Effective Date Prior to October 1981?' set to N. Below the table, there are several fields: 'Surviving Contract: CA39T851008', 'HUD Policy: User Guide', 'Fiscal Year: 2013', 'Contract Function: MAHRA Amend Rent Increases' (dropdown), 'Contract Action Selection: 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project' (dropdown), and 'Processing Status(if applicable): Option Selected - In Process' (dropdown).

Figure 17-145. Function/Contract Selection page

2. The following information is pre populated:
 - *Contract Number*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
3. Click on **Save**.
4. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Dates and Comments OCAF Rents Auto OCAF Letter Final Review

Dates and Comments [Save] [Reset]

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
Effective Date: 07/01/2013 ARAMS Status:

Amend Rents Dates

Amend Rents Effective Date: 07/01/2013
Amend Rents Expiration Date: 06/30/2014

Contract/Stage Date Information

Contract/Stage Renewal Execution Date:
Contract Effective Date: 06/26/2010
Length of Contract in Months: 240
Contract Expiration Date: 06/30/2030

Decision Comments:
Rent Final 7/24/13 but IREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.

Figure 17-146. Dates and Comments page

5. Validate the following pre-populated fields:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*
- *Contract Effective Date*
- *Contract Expiration Date*

6. Click on the *OCAF* tab and the **OCAF** page displays

Dates and Comments OCAF Rents Final Review

OCAF [Save] [Reset]

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
Effective Date: 07/01/2013 ARAMS Status:

Eligible for Auto OCAF: ☐ Yes ☒ No

OCAF Rent Adjustments

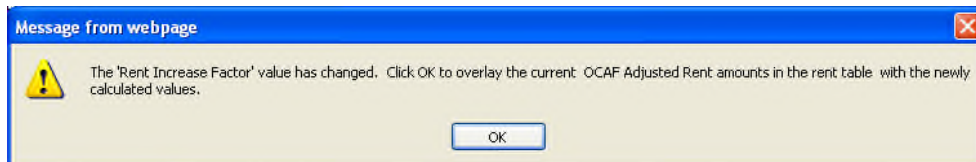
Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	0.00
Annual Project Rent Potential:	370320.00
Expiring Section 8 Portion of Total Rent Potential:	1.00
Annual Project Debt Service:	153657.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	153657.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	216663.00
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%)	221646.25
OCAF Adjusted Contract Rent Potential:	375303.25
Rent Increase Factor:	1.013

Validate the following fields:

- *Eligible for Auto OCAF*
- *Date Auto OCAF sent to Owner*
- *Date Rents Package Received from Owner*
- *Owner Selected Auto OCAF*
- *Annual Rent Potential for all Section 8 Units included in the Current Process*

- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*
- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: already includes MIP amount*

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

7. Click on the *Rents* tab and the **Rents** page displays.

Section 8 Contract Processing List | FRAC Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | OCAF | Rents | Auto OCAF Letter | Final Review

Rents [Save] [Reset]

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
Effective Date: 07/01/2013 ARAMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent: [OCAF Adjusted]

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Renewed Rent
1	18	1056	1071	1071
1	4	1066	1081	1081
2	4	1249	1266	1266
2	2	1296	1314	1314
Rent Potentials				
Monthly		30860	31294	31294
Annual		370320	375528	375528

Renewal Rent Effective Date: [07/01/2013]

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments : [UA changed from \$33 to \$27 for 1 BR and from \$49 to \$35 for 2 BR to be effective 8/30/13.]


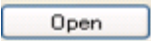

Utility Allowance Changed: [No]

Figure 17-147. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

8. Click on **Save** and the *save successful* message displays.

9. Click on the *Auto OCAF Letter* tab and the **Auto OCAF letter Input** page displays.
10. Click on drop down menu for the Addressee and a list of addressees' displays.
11. Select the appropriate address. (Default to Project Address)
12. Click on the drop down menu for the Senders Name and select the appropriate name. The name and title display. (Optionally enter a name and title)
13. Click on  and a *File Download* box displays.
14. Click on  and the letter is generated in **Microsoft Word**.
15. Use **Microsoft Word** to print your document.
16. Click on  to close the **Auto OCAF Letter**.
17. Click on the *Final Review* tab to review all information.

17.5.8 Option 5b

Option 5b is not part of the Auto Amend Rent process. Therefore, all amend rent information and increases must be entered manually.

To update a MAHRA 5b Amend Rent increase:

1. From the **Contract Processing List** page, click on the Amend Rent record and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. It includes a sidebar with navigation links like 'PortfolioDashboard', 'Assistance Contracts', 'Contract Processing', 'Comparability Studies', 'Renewal Budgets', 'Secure Systems', and 'Logout'. The main content area has tabs for 'Section 8 Contract Processing List', 'PRAC Contract Processing List', 'Function / Contract Selection', and 'Function Detail'. Below the tabs is a table with columns: 'Select', 'Contract #', 'Stage', 'Expiration Date at Contract/Stage Expiration', and 'Original Contract Effective Date Prior to October 1981?'. A row is selected with Contract # CA39T851008 and Stage N/A. Below the table, there are several input fields: 'Surviving Contract: CA39T851008', 'HUD Policy: User Guide', 'Fiscal Year: 2013', 'Contract Function: MAHRA Amend Rent Increases', 'Contract Action Selection: 5b: Request Contract Renewal for a Preservation Project', 'Processing Status: Option Selected - In Process', 'Date Owner Signed Submission: 05/27/2013', 'Date Owner Submission Package Initially Received: 06/02/2013', 'Date Complete Package Received from Owner: 08/30/2013', 'Is the Owner Debarred or Suspended? Yes No Unconfirmed', and 'Does the Owner Have Material Violations? Yes No Unconfirmed'.

Figure 17-148. Function/Contract Selection page

2. Enter the following information:

- *Contract Function*
- *Contract Action Selection*
- *Processing Status*
- *Date Owner Submission Package Initially Received*
- *Date Complete Package Received from Owner*
- *Is the Owner Debarred or Suspended*
- *Does the Owner Have Material Violations*

3. Click on save and the *Function Detail* tab opens to the **Dates and Comments** page.

The screenshot shows the 'Dates and Comments' page. It includes a sidebar with navigation links like 'Dates and Comments', 'Comparability Study Selection', 'Budget Selection', 'OCAF', 'Rents', and 'Final Review'. The main content area has tabs for 'Dates and Comments', 'Comparability Study Selection', 'Budget Selection', 'OCAF', 'Rents', and 'Final Review'. Below the tabs is a table with columns: 'Surviving Contract: CA39T851008', 'Function Type: Amend Rents', 'Effective Date: 07/01/2013', 'Stage: N/A', 'Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project', and 'ARAMS Status:'. Below the table, there are several input fields: 'Contract/Stage Date Information', 'Plan of Action Date:', 'Contract/Stage Renewal Execution Date:', 'Contract Effective Date: 06/26/2010', 'Length of Contract in Months: 240', 'Contract Expiration Date: 06/30/2030', 'Amend Rents Effective Date: 07/01/2013', 'Amend Rents Expiration Date: 06/30/2014', and 'Decision Comments: Rent Final 7/24/13 but iREMS rent tab cannot be set to final due to system issue with rent expiration date not matching contract anniversary date. Funding Coordinator please enter rents to TRACS manually.'

Figure 17-149. Dates and Comments page

4. Enter the following fields:

- *Plan of Action Date*
- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*

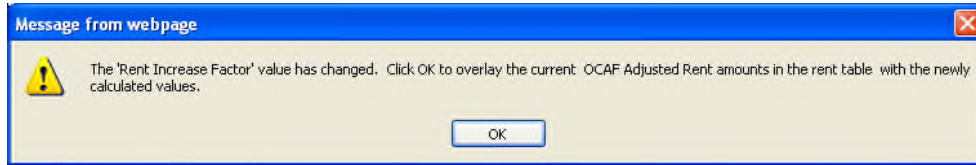
5. Click on the *Comparability Study Selection* link and the Comparability page displays. Confirm if Comparability Study is required.
6. Click on the *Budget Selection* tab and the **Budget Selection** page displays. Confirm if Renewal Budget is required and what Renewal Budget Type.
7. Click on the *OCAF* tab and the **OCAF** page displays

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review	
OCAF Save Reset	
Surviving Contract: CA39T851008 Function Type: Amend Rents Effective Date: 07/01/2013	Stage: N/A Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project ARAMS Status:
Eligible for Automatic OCAF: No	
OCAF Rent Adjustments	
Annual Rent Potential for all Section 8 Units Included in the Current Process:	370320.00
Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process:	0.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00
Annual Rent Potential Non-Section 8 Units:	0.00
Annual Project Rent Potential:	370320.00
Expiring Section 8 Portion of Total Rent Potential:	1.00
Annual Project Debt Service:	153657.00
Note: Already includes MIP amount	
Annual Expiring Section 8 Share of Debt Service:	153657.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	216663.00
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%)	221646.25
OCAF Adjusted Contract Rent Potential:	375303.25
Rent Increase Factor:	1.013

Validate the following fields:

- *Eligible for Automatic OCAF*
- *Annual Rent Potential for all Section 8 Units included in the Current Process*
- *Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process*
- *Annual Rent Potential for all Non-Expiring Section 8 Units (Not included in the Current Process)*
- *Annual Rent Potential Non-Section 8 Units*
- *Annual Project Debt Service: Note: Already includes MIP amount*

Note: When the “Annual Project Debt Service” is changed, the “Rent Increase Factor is automatically changed. The following warning message will display:



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.

8. Click on the *Rents* tab and the **Rents** page displays.

Rents

Surviving Contract: CA39T851008 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project
Effective Date: 07/01/2013 ARAMS Status:

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	OCAF Adjusted Rent	Budget-based Rent	AAF Adjusted Rent	Renewed Rent
1	18	1056		1071	1083		1083
1	4	1066		1081	1093		1093
2	4	1249		1266	1281		1281
2	2	1296		1314	1329		1329
Rent Potentials							
Monthly		30860		31294	31648		31648
Annual		370320		375628	379776		379776

Renewal Rent Effective Date:

Monthly Reserve for Replacement Deposit Amount (most recently entered amount): 2417.00
Monthly Increase to the Reserve for Replacement Account (as adjusted by OCAF): 33.84
Monthly Reserve for Replacement Deposit Amount (Sum of the Two Lines Above): 2450.84

Utility Allowance Changed Comments:

Utility Allowance Changed: ☐ No ☒ Yes ☐ No

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Figure 17-150. Rents page

Validate the following pre-populated fields:

- *Calculated Renewal Rents*
- *Renewal Rent Effective Date*
- *Monthly Reserve for Replacement Deposit Amount*
- *Monthly Increase to the Reserve for Replacement Account*

9. Click on and the *save successful* message displays.

10. Click on the *Final Review* tab to review all information.

17.6 Rent Adjustments

You can enter and execute Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA) in the **Subsidy Administration** business area by selecting the *Contract Processing* sidebar option. Multifamily staff assigned to the property and PBCAs assigned to the contract can perform this function. The Rent Adjustment contract process includes:

- Rent Adjustments for Rental Assistance Demonstration Conversion (**RAD**) contracts
- Rent Adjustments for multi-term contracts that have not yet renewed under MAHRA or not eligible to renew under MAHRA
- Rent Adjustments for **PRAC** and **PAC** contracts
- Manual corrections for rents for both contracts that have renewed under MAHRA and contracts that have not renewed under MAHRA.

Note: Rental Assistance Demonstration Conversion contracts have been added by TRACS as a new program type under Project-based Section 8 HAP. The goal of the RAD program is to preserve and improve at-risk housing. Contracts that convert over to the RAD program will sign a 20 year non-MAHRA HAP contract and require OCAF yearly rent adjustments. Rent Adjustment functionality has been modified to add OCAF Adjustments to the Contract Action Selection.

Note: On a Manual Rental Adjustment when an UA Amount Changes without a UA Effective Date change a warning message will display. When an UA Effective Date changes with an UA Amount change a warning message will display.

Contract	TX24C071002	Stage	N/A
Effective Date	09/16/2013	Total Number of Contracted Units	14
Expiration Date	09/15/2014	ARMS Status	Not Executed

Rent Increase Type: Budget Based
Overall Rent Increase %: (if the Increase/Decrease is 5.5%, enter 0.055): 0.0450
Overall Utility Increase %: (if the Increase/Decrease is 5.5%, enter 0.055): 0.0000

Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
<input type="checkbox"/>	1		14	437	457	104	104	10/01/2013
				Rent Increase %	0.0450	Utility Increase %	0.0000	

HUD Approved Date: 06/17/2014
Execution Date:
Utility Allowance Changed Comments:
Rent Adjustment Effective Date: 09/15/2014
Utility Allowance Changed: N

Comments:

Cover Letter Input Execute

Figure 17-151. Rent Adjustments page

OCAF, Budget Based, AAF or Manual Correction Rent Adjustments information can be added and updated for most contracts. (**PRAC** and **PAC** contracts can only select *Budget Based* or *Manual Correction*). (**RAD** contracts can only select *OCAF Adjustment*). Unit rent information can be added,

updated, or deleted from the **iREMS Rent Adjustment** page.

When a user processes a Rent Adjustment (AAF Adjusted, Budget Based or Manual Correction) they are able to click on the **Cover Letter Input** button to generate a user letter prior to clicking on the **Execute** button. The Rent Adjustment can be reviewed and the *adjusted rent amounts* and/or *adjusted utility amounts* can be verified. The user can make changes prior to the rent adjustment being locked in ARAMS "Executed" status. The user can still generate the letter after execution.

A cover letter is then generated, along with a Notification of Section 8 Gross Rents Form, and a Revised Exhibit A (Identification of Units ("Contract Units") by size and Applicable Contract Rents) form. The Notification form requires the owner's signature and HUD's signature.

The **Function/Contract Selection** page allows you to enter the following types of rent adjustments/corrections: OCAF adjustments, *AAF Adjusted*, *Budget Based*, or *Manual Correction*. You can update information for the existing unit types displayed, or you can add or delete unit types.

The **Rent Adjustments** page displays unit, rent and utility information in a table format. The table columns consist of *Unit Type*, *Unit Type Name*, *Current Rent Amount*, *Adjusted Rent Amount*, *Current Utility Allowance Amount*, and *Adjusted Utility Allowance Amount*. The *Unit Type*, *Unit Type Name*, *Adjusted Rent Amount*, and *Adjusted Utility Allowance Amount* fields are editable. You can also enter the *HUD Approved Date*, *Rent Adjustment Effective Date*, and any comments. The *Rent Increase Type* and *Executed Date* fields are system generated and view-only.

You can specify an overall increase percentage, or individual percentage increases with each unit type for Budget Based increases. For AAF Adjusted, Budget Based or Manual Corrections, you can update existing rent and utility allowance amounts by dollar amounts. For an OCAF adjusted type, the renewed rents are calculated with a rent increase factor determined by the OCAF and the OCAF calculations.

17.6.1 RAD adjustments

To enter a New OCAF Adjustment:

New **RAD** contracts are entered into **TRACS**. **TRACS** sends *RAD* contract information to iREMS during the nightly interface. The user enters *OCAF Adjustments* for the RAD contract in years 2 to 20.

1. From the **Contract Processing** section, on the **Section 8 Contract Processing List** page, click on **Add**.



Figure 17-152. Section 8 Contract Processing List

2. The **Function/Contract Selection** page displays.

Section 8 Contract Processing List | TRAC Other Contract Processing List | Function | Contract Selection | Function Data

Function/Contract Selection [Save] [Reset]

Contract(s) and/or Stage(s):

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA39M000138	N/A	02/28/2015	N

Fiscal Year: 2014

Contract Function: Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)

Contract Action Selection: Select a renewal option

Figure 17-153. Function Contract Selection Page

3. Select the Contract associated with the rent adjustment.

Section 8 Contract Processing List | TRAC Other Contract Processing List | Function | Contract Selection | Function Data

Function/Contract Selection [Save] [Reset]

Contract(s) and/or Stage(s):

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA39M000138	N/A	02/28/2015	N

Fiscal Year: 2014

Contract Function: Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)

Contract Action Selection: OCAF Adjustment

Date Owner Signed Submission: []

Date Owner Submission Package Initially Received: []

Date Complete Package Received from Owner: []

Figure 17-154. Function Contract Selection Page

4. Enter the following information:
 - **Fiscal Year** – select from the drop down list
 - **Contract Function** - select “Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)” from the drop-down list
 - **Contract Action Selection** - select “OCAF Adjustment” from the drop-down list



Note: “OCAF Adjustment” was added for RAD contract rent adjustments

5. The **Function/Contract Selection** page refreshes, displaying the three requested dates.

Section 8 Contract Processing List | TRAC Other Contract Processing List | Function | Contract Selection | Function Data

Function/Contract Selection [Save] [Reset] [Delete]

Contract(s) and/or Stage(s):

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA39M000138	N/A	02/28/2015	N

Fiscal Year: 2014

Contract Function: Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)

Contract Action Selection: OCAF Adjustment

Date Owner Signed Submission: 10/01/2013

Date Owner Submission Package Initially Received: 10/08/2013

Date Complete Package Received from Owner: 10/15/2013

Figure 17-155. Function Contract Selection Page (with requested dates)

6. Enter the requested dates. Click on **Save** and the save was successful message displays.
7. Click on the **Function Detail** tab and the *Dates and Comments - Rent Adjustments* page displays.

Section 8 Contract Processing List				PRAC Contract Processing List				Function / Contract Selection				Function Detail																																																			
Dates and Comments																OCAF																Rents																Final Review															
Rent Adjustments																Save																Reset																															
Contract:								CA39M000136								Stage:								N/A																																							
Effective Date:								02/01/2011								Total Number of Contracted Units:								178																																							
Expiration Date:								01/31/2031								ARAMS Status:								Not Executed																																							
Rent Increase Type: OCAF Adjustment																																																															
HUD Approved Date:																10/01/2013																																															
Execution Date:																Rent Adjustment Effective Date:																																															
Comments:																																																															

Figure 17-156. Dates and Comments - Rent Adjustments page

8. Enter the requested dates. (Enter *Comments*, if available) Click on **Save** and the save was successful message displays


Note: "HUD Approved Date" must be entered if greater than 5%. "Effective Date" must be entered, prior to leaving the Dates and Comments page.

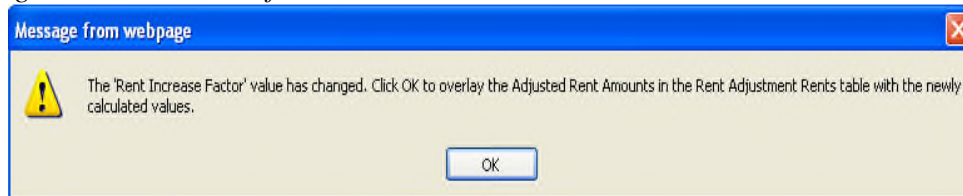
9. Click on the **OCAF** tab. The *OCAF - Rent Adjustments* page will display.

Section 8 Contract Processing List				PRAC Contract Processing List				Function / Contract Selection				Function Detail																																																			
Dates and Comments																OCAF																Rents																Final Review															
Rent Adjustments																Save																Reset																															
Contract:								CA39M000136								Stage:								N/A																																							
Effective Date:								02/01/2011								Total Number of Contracted Units:								178																																							
Expiration Date:								01/31/2031								ARAMS Status:								Not Executed																																							
Rent Increase Type: OCAF Adjustment																																																															
Annual Rent Potential for all Section 8 Units Included in the Current Process:																2855520.00																																															
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):																0.00																																															
Annual Rent Potential Non-Section 8 Units:																0.00																																															
Annual Project Rent Potential:																2855520.00																																															
Expiring Section 8 Portion of Total Rent Potential:																1.00																																															
Annual Project Debt Service:																0.00																																															
Note: Already includes MIP amount																0.00																																															
Annual Expiring Section 8 Share of Debt Service:																0.00																																															
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:																2855520.00																																															
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%):																2921196.96																																															
OCAF Adjusted Contract Rent Potential:																2921196.96																																															
Rent Increase Factor:																1.023																																															

Figure 17-157. OCAF - Rent Adjustment page

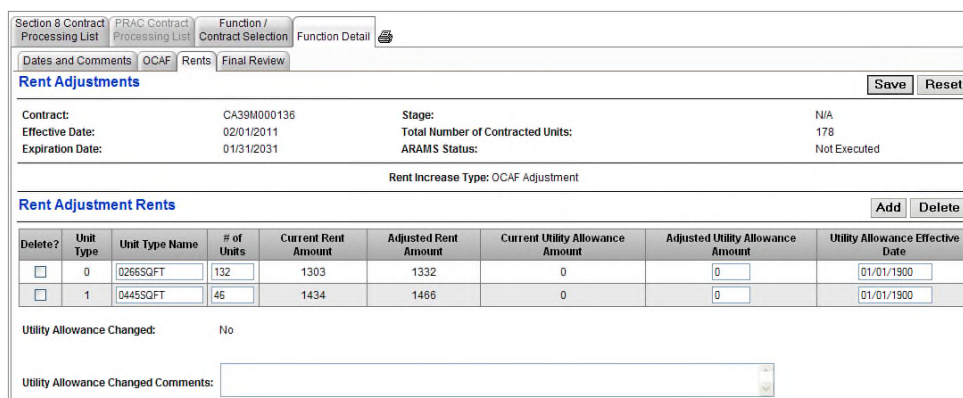
10. Verify or modify the editable fields. Click on **Save**.

 *Note: A warning message displays if the user changes the debt service enough to change the rent increase factor.*



When the user switches to the Rent tab, the system shall display the newly recalculated OCAF Adjusted Rent amounts base on the new Rent Increase Factor.


11. Click on the **Rents** tab. The **Rent Adjustment** page displays.




Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
<input type="checkbox"/>	0	0266SQFT	132	1303	1332	0	0	01/01/1900
<input type="checkbox"/>	1	0445SQFT	46	1434	1486	0	0	01/01/1900

Figure 17-158. Rents - Rent Adjustments page

12. Verify the displayed data and click on **Save** and a message displays that the save was successful.

 *Note: The adjusted rent amount is calculated from the current rents multiplied by the rent increase factor from the **OCAF** page. This field is not editable on the Rents page. However, the adjusted utility amount is editable.*

 *Note: Prior to clicking on **Execute** the user should review the RAD Rent Adjustment record. Any modifications will need to be completed prior to executing the record.*

To review the RAD Rent Adjustment record data:

1. On the **Function Detail** section click **Final Review**.



2. The **Final Review** page will display. This page gives you a review of previously stored data from **Dates and Comments**, **OCAF** and **Rents**. Data can be viewed on this page but any changes must be modified on the specific input page.

Section 8 Contract Processing List		PRAC Contract Processing List		Function / Contract Selection		Function Detail	
Dates and Comments		OCAF		Rents		Final Review	
Rent Adjustments							
Contract:	CA39M000136	Stage:	N/A				
Effective Date:	02/01/2011	Total Number of Contracted Units:	178				
Expiration Date:	01/31/2031	ARMS Status:	Not Executed				
Rent Increase Type: OCAF Adjustment							
HUD Approved Date:	10/01/2013	Rent Adjustment Effective Date:	10/01/2013				
Execution Date:							
Comments:							
Annual Rent Potential for all Section 8 Units Included in the Current Process: 2855520.00							
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process): 0.00							
Annual Rent Potential Non-Section 8 Units: 0.00							
Annual Project Rent Potential: 2855520.00							
Expiring Section 8 Portion of Total Rent Potential: 1.00							
Annual Project Debt Service: 100000.00							
Note: Already includes MIP amount							
Annual Expiring Section 8 Share of Debt Service: 100000.00							
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service: 2755520.00							
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%): 2818896.96							
OCAF Adjusted Contract Rent Potential: 2918896.96							
Rent Increase Factor: 1.022							
Utility Allowance Changed Comments:							
Utility Allowance Changed Indicator: No							
Rent Adjustment Rents							
Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	
0	0266SQFT	132	1303	1332	0	0	
1	0445SQFT	46	1434	1466	0	0	

Figure 17-159. Final Review page

To Execute the RAD Rent Adjustment record:



1. On the **Rent Adjustments** page, click on **Execute** and the following message displays.

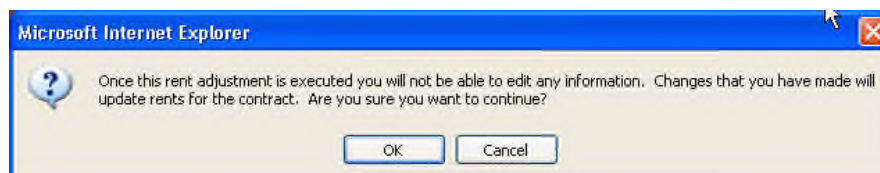
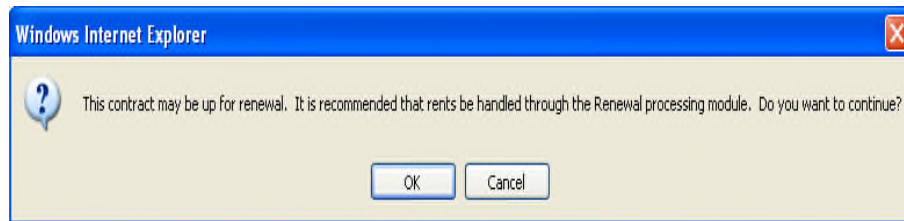


Figure 17-160. Rent adjustment warning message

Note: If rent adjustment is executed, the user will not be able to edit any information.

Note: If there are any open records in the renewal table with this FY, the following Warning message will display. Click on or .



2. Click to execute the record. When executed, the button displays.



3. Click on and the *Cover Letter Input* page will display.

Figure 17-161. Cover Letter Input page


4. Enter the following information , where applicable:

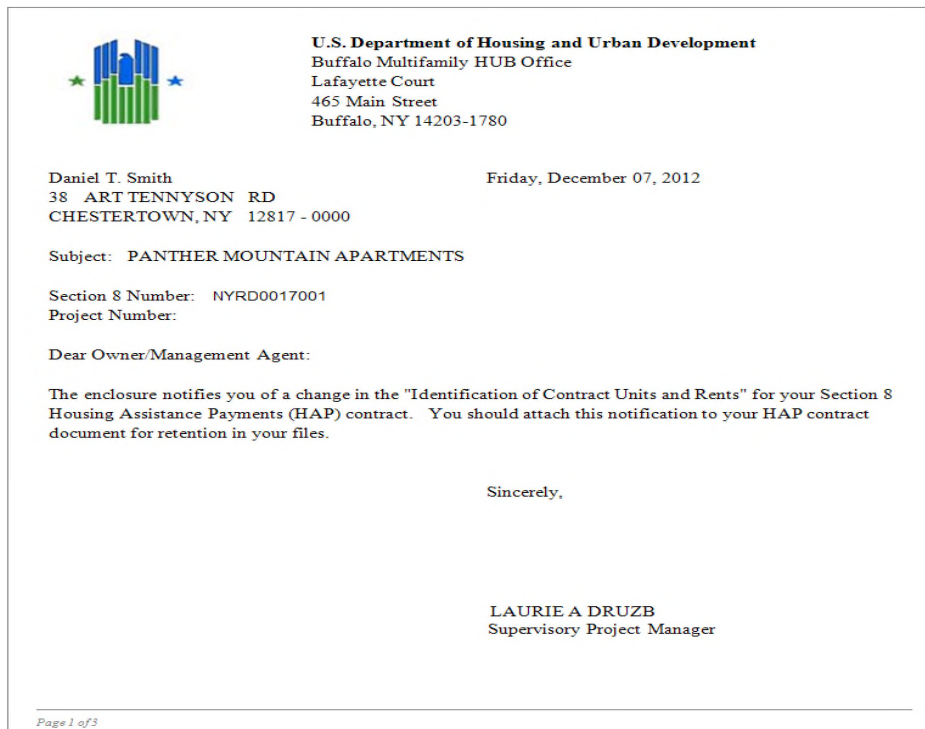
- Addressee, from drop-down
- Attention
- Additional paragraph
- Sender Phone


- *Sender Name, from drop-down*
- *Sender Title*

Notification Contract Signature:

- *Name*
- *Title*

5. Click on . The pages of the letter will display.



 **U.S. Department of Housing and Urban Development**
Buffalo Multifamily HUB Office
Lafayette Court
465 Main Street
Buffalo, NY 14203-1780

Daniel T. Smith
38 ART TENNYSON RD
CHESTERTOWN, NY 12817 - 0000

Friday, December 07, 2012

Subject: PANTHER MOUNTAIN APARTMENTS

Section 8 Number: NYRD0017001
Project Number:

Dear Owner/Management Agent:

The enclosure notifies you of a change in the "Identification of Contract Units and Rents" for your Section 8 Housing Assistance Payments (HAP) contract. You should attach this notification to your HAP contract document for retention in your files.

Sincerely,

LAURIE A DRUZB
Supervisory Project Manager

Page 1 of 3

Figure 17-162. Page 1 of 3

**NOTIFICATION OF SECTION 8 GROSS RENTS
IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE
AND APPLICABLE CONTRACT RENTS**

Section 8 Number: NYRD0017001 Rent Effective Date: 10/01/2012

Number of Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
4	1	719	37	756

SIGNATURES **OWNER**

Contract Administrator
United States of America
Department of Housing and
Urban Development (HUD)

(Signature)
PAUL X BEARD
(Printed Name)
Supervisory Project Manager
(Official Title)

(Date)

(Signature)

(Printed Name)

(Official Title)

(Date)

NOTE: Amended rents are affected by Contract Administrator notice to the Owner on Revised Exhibit A to specify adjusted contract rent amounts in accordance with section 6b of the Renewal Contract.

Owner/Agent signature on this Notification is confirmation to the Contract Administrator that revised rents have been received.

Page 2 of 3

Figure 17-163. Page 2 of 3

**NOTIFICATION OF SECTION 8 GROSS RENTS
IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE
AND APPLICABLE CONTRACT RENTS**

Section 8 Number: NYRD0017001 Rent Effective Date: 10/01/2012

Number of Units	Number of Bedrooms	Contract Rent
4	1	719

NOTE: This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with section 6b of the Renewal Contract.

Page 3 of 3

Figure 17-164. Page 3 of 3

Modifying/Adding/Deleting unit type records for RAD:

To modify the existing data on the *Rent Adjustment Rents for RAD*:

The User can modify the *Unit Type Name*, the *# of Units* and the *Adjusted Utility Allowance Amount* on the screen that displays.

The screenshot shows the 'Rent Adjustments' page. At the top, there are tabs for 'Dates and Comments', 'OCAF', 'Rents', and 'Final Review'. Below the tabs, there are fields for 'Contract: NYRD0017001', 'Effective Date: 10/01/2009', 'Expiration Date: 09/30/2014', 'Stage: N/A', 'Total Number of Contracted Units: 4', and 'ARAMS Status: Not Executed'. Below these fields, there is a section for 'Rent Increase Type: OCAF Adjustment'. The main section is titled 'Rent Adjustment Rents' and contains a table with the following columns: 'Delete?', 'Unit Type', 'Unit Type Name', '# of Units', 'Current Rent Amount', 'Adjusted Rent Amount', 'Current Utility Allowance Amount', and 'Adjusted Utility Allowance Amount'. The table has one row with the following values: 'Delete?' (checkbox), 'Unit Type' (1), 'Unit Type Name' (0576SQFT), '# of Units' (4), 'Current Rent Amount' (702), 'Adjusted Rent Amount' (719), 'Current Utility Allowance Amount' (37), and 'Adjusted Utility Allowance Amount' (37). Below the table, there is an 'Execute' button and a 'Save' button.

Figure 17-165. Rents – Rent Adjustments

1. Click into the box you want to modify. Make the change, and then click on **Save**.

Note: The total # of Units must match the Total Number of Contracted Units.

To add a new rent type to the *Rent Adjustment Rents for RAD*:

The User can add new rent types to the Rent Adjustments page.

The screenshot shows the 'Rent Adjustments' page, similar to the previous one, but with the 'Add' button highlighted in the 'Rent Adjustment Rents' section. The table has the same columns as before, but the 'Delete?' checkbox is now checked. The 'Unit Type' is 1, 'Unit Type Name' is 0576SQFT, and '# of Units' is 2. The 'Current Rent Amount' is 702, 'Adjusted Rent Amount' is 717, 'Current Utility Allowance Amount' is 37, and 'Adjusted Utility Allowance Amount' is 37. The 'Execute' button is also visible.

Figure 17-166. Rent – Rent Adjustments – Add

1. Click on **Add**. The *Rent Adjustments Detail* sections will display.

Contract Processing List		Function / Contract Selection		Function Detail		
Rent Adjustments						
Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount
1	0576SQFT	2	702	717	37	37
Rent Adjustments Detail						
Unit Type: <input type="text" value="1"/>			Adjusted Rent Amount: <input type="text" value="725"/>		Save Reset Back	
Unit Type Name: <input type="text" value="0650SQFT"/>			Adjusted Utility Allowance Amount: <input type="text" value="40"/>			
Number of Units: <input type="text" value="2"/>						

Figure 17-167. Rent Adjustments Detail page

2. Enter the following information, if applicable:

Unit Type

Unit Type Name

Number of Units

Adjusted Rent Amount

Adjusted Utility Allowance Amount

3. Click on **Save**. The **Rent Adjustments** page now displays the added *Unit Type*.

Contract Processing List		Function / Contract Selection		Function Detail			
Dates and Comments OCAF Rents Final Review							
Rent Adjustments							
Contract: NY020017001 Stage: N/A							
Effective Date: 10/01/2009 Total Number of Contracted Units: 4							
Expiration Date: 09/30/2014 ARAMS Status: Not Executed							
Rent Increase Type: OCAF Adjustment							
Rent Adjustment Rents							
Add Delete							
Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount
<input type="checkbox"/>	1	0650SQFT	2	0	725	0	40
<input type="checkbox"/>	1	0576SQFT	2	702	717	37	37
Execute							
Dates and Comments OCAF Rents Final Review							

Figure 17-168. Rent Adjustment – Unit Type

To delete a rent type from the *Rent Adjustment Rents for RAD*:

1. On the **Rent Adjustments** page, under the “Delete?” column, click on the box that is in front of the *unit type* you want to delete.

Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | OCAF | Rents | Final Review

Rent Adjustments [Save] [Reset]

Contract: NY020017001 Stage: N/A
 Effective Date: 10/01/2009 Total Number of Contracted Units: 4
 Expiration Date: 09/30/2014 ARAMS Status: Not Executed

Rent Increase Type: OCAF Adjustment

Rent Adjustment Rents [Add] [Delete]

Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount
<input checked="" type="checkbox"/>	1	0576SQFT	4	0	719	0	37
<input type="checkbox"/>	1	0650SQFT	2	0	725	0	40
<input type="checkbox"/>	1	0576SQFT	2	702	717	37	37

[Execute]

Figure 17-169. Rent Adjustment – Unit Type

2. Click on **Delete**. The *Rent Adjustment Rents* sections displays without the deleted unit.

17.6.2 Rent Adjustments for Non-MAHRA contracts and Manual Corrections

To enter a New Rent Adjustments:

1. From the **Contract Processing List** page, click on **Add** and the **Function/Contract Selection** page displays.

Portfolio Dashboard | Assistance Contracts | Contract Processing | Comparability Studies | Renewal Budgets | Secure Systems | Logout

Section 8 Contract Processing List | PRAC Contract Processing List | Function / Contract Selection | Function Detail

Function/Contract Selection [Save] [Reset] [Delete]

Contract(s) and/or Stage(s):

Select	Contract #	Stage	Expiration Date at Contract Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA397851008	N/A	09/30/2030	N

Fiscal Year: 2013

Contract Function: Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)

Contract Action Selection: Budget Based

Date Owner Signed Submission: 05/27/2013

Date Owner Submission Package Initially Received: 08/02/2013

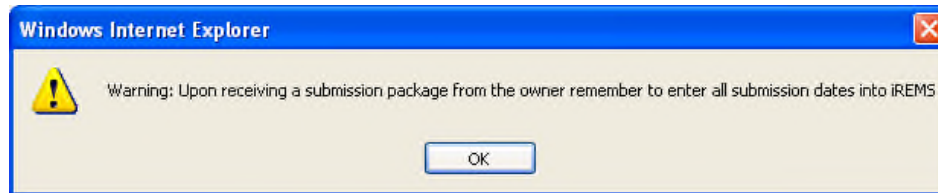
Date Complete Package Received from Owner: 08/30/2013

Figure 17-170. Function Contract Selection Page-Rent Adjustments

2. Select the Contract and/or stage associated with the rent adjustment.
3. Enter the following information:
 - **Fiscal Year**, from the drop-down list
 - **Contract Function**, select *Rent Adjustments and Rent Corrections (Contracts not yet Renewed or not yet Eligible for MAHRA)*, from the drop-down list
 - **Contract Action Selection**, from the drop-down list (*AAF Adjusted, Budget Based, or Manual Correction*)



Note: The three date fields are not required fields, however, if at least one of the dated fields is selected, a warning message will display when the user saves the record. The following message will display:



Note: The Manual Correction” Contract Action Selection does not display the dates.

4. The **Function/Contract Selection** page refreshes, displaying the applicable fields.
5. Click on and the save was successful message displays.
6. Click on the **Function Detail** tab and the **Rent Adjustment** page displays.

The Rent Increase field is populated by selection on the Contract Function Selection page.

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Rent Adjustments Save Reset

Contract: CA39T851008 Stage: Total Number of Contracted Units: N/A
Effective Date: 06/26/2010 ARAMS Status: 28
Expiration Date: 06/30/2030

Rent Increase Type: AAF Adjusted

Rent Adjustment Rents Add Delete

Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
<input type="checkbox"/>	1	0522SQFT	4	1066	1066	33	33	07/01/2012
<input type="checkbox"/>	1	01FL 0522SQFT	18	1056	1056	33	33	07/01/2012
<input type="checkbox"/>	2	0752SQFT	2	1296	1296	49	49	07/01/2012
<input type="checkbox"/>	2	01FL 0752SQFT	4	1249	1249	49	49	07/01/2012

HUD Approved Date: Execution Date: Rent Adjustment Effective Date: Utility Allowance Changed: N

Utility Allowance Changed Comments: Comments:

Cover Letter Input Execute

Figure 17-171. iREMS Rent Adjustments - AAF Adjusted

Overall rent or utility increase by %

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Rent Adjustments Save Reset

Contract: CA39T851008 Stage: Total Number of Contracted Units: N/A
Effective Date: 06/26/2010 ARAMS Status: 28
Expiration Date: 06/30/2030

Overall Rent Increase %: (if the Increase/Decrease is 6.5%, enter 0.065): Rent Increase Type: Budget Based Overall Utility Increase %: (if the Increase/Decrease is 6.5%, enter 0.065):

Rent Adjustment Rents Add Delete

Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
<input type="checkbox"/>		0522SQFT	4	1066	1066	33	33	07/01/2012
				Rent Increase %	0.0000	Utility Increase %	0.0000	
<input type="checkbox"/>	1	01FL 0522SQFT	18	1056	1056	33	33	07/01/2012
				Rent Increase %	0.0000	Utility Increase %	0.0000	
<input type="checkbox"/>	2	0752SQFT	2	1296	1296	49	49	07/01/2012
				Rent Increase %	0.0000	Utility Increase %	0.0000	
<input type="checkbox"/>	2	01FL 0752SQFT	4	1249	1249	49	49	07/01/2012
				Rent Increase %	0.0000	Utility Increase %	0.0000	

HUD Approved Date: Execution Date: Rent Adjustment Effective Date: Utility Allowance Changed: N

Utility Allowance Changed Comments: Comments:

Cover Letter Input Execute

Figure 17-172. Rent Adjustments - Budget Based

Section 8 Contract Processing List PRAC Contract Processing List Function / Contract Selection Function Detail

Rent Adjustments Save Reset

Contract: CA39T851008 Stage: N/A
 Effective Date: 06/26/2010 Total Number of Contracted Units: 28
 Expiration Date: 06/30/2030 ARAMS Status:

Rent Increase Type: Manual Correction

Rent Adjustment Rents Add Delete

Delete?	Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
<input type="checkbox"/>	1	0522SQFT	4	1066	1066	33	33	07/01/2012
<input type="checkbox"/>	1	01FL, 0522SQFT	18	1056	1056	33	33	07/01/2012
<input type="checkbox"/>	2	0752SQFT	2	1296	1296	49	49	07/01/2012
<input type="checkbox"/>	2	01FL, 0752SQFT	4	1249	1249	49	49	07/01/2012

HUD Approved Date: Rent Adjustment Effective Date:
 Execution Date: Utility Allowance Changed: N

Utility Allowance Changed Comments:

Comments:

Cover Letter Input Execute

Figure 17-173. iREMS Rent Adjustments - Manual Correction

To enter adjusted rent and utility allowance (when applicable) amounts for AAF Adjusted or Manual Corrections:

- Enter the following information:
 - Adjusted Rent Amount, in the field corresponding the correct unit type
 - Adjusted Utility Allowance Amount, (if applicable) in the field corresponding to the correct unit type
 - HUD Approved Date
 - Rent Adjustment Effective Dates
 - Comments, if applicable
- Click on Save and a message displays that the save was successful.
- Click on Execute to execute the rent adjustment and the following message displays:

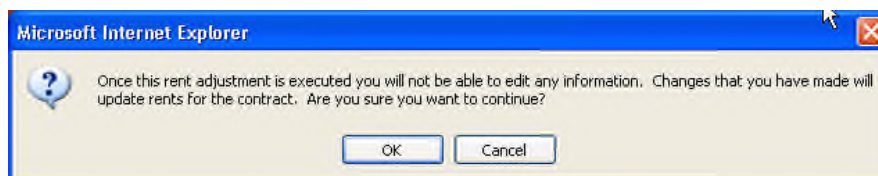


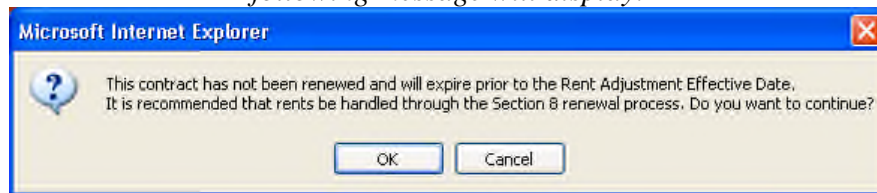
Figure 17-174. Rent Adjustment warning message

- Click on OK and the **Rent Adjustments** page displays with a message that the execution was successful.

Note: You must save the rent adjustment information before you can execute the rent adjustment.

Note: You may enter some or all of the information for a rent adjustment and save the record for later execution. However, the rent adjustment will not be effective until it is executed.

Note: If you attempt to execute a rent adjustment for a contract that has no renewal the following message will display:



To enter adjusted rent and utility allowance (when applicable) amounts for a Budget Based adjustment:

1. Enter the following information:
 - Overall Rent Increase %
 - Overall Utility %, if applicable

OR

 - Rent Increase %, in the field corresponding the correct unit type
 - Utility Increase %, (if applicable) in the field corresponding to the correct unit type.
 - HUD Approved Date
 - Rent Adjustment Effective Date
 - Comments, if applicable
2. Click **Save** and a message that the save was successful displays.
3. Click on **Execute** to execute the rent adjustment, and the following message displays.

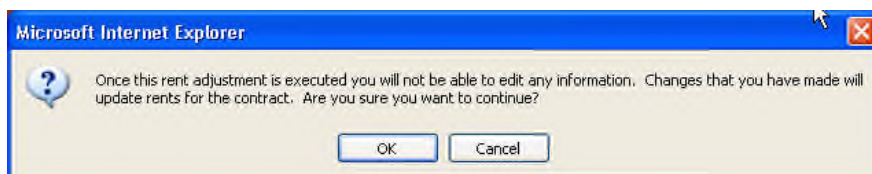

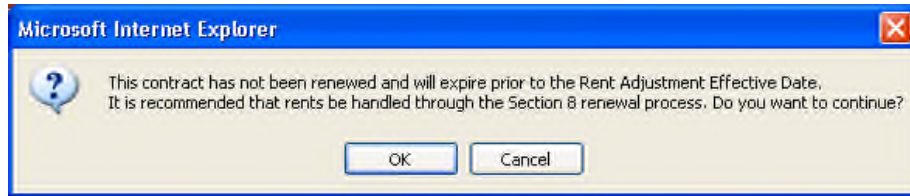
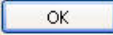



Figure 17-175. Rent adjustment warning message

 *Note: If you attempt to execute a rent adjustment for a contract that has no renewal the following message will display.*



- Click  and the **Rent Adjustments** page displays with a message that the execution was successful.

 *Note: The cover letters are the same for each type of rent adjustment. The will be described at the end of the **Rent Adjustment** section.*

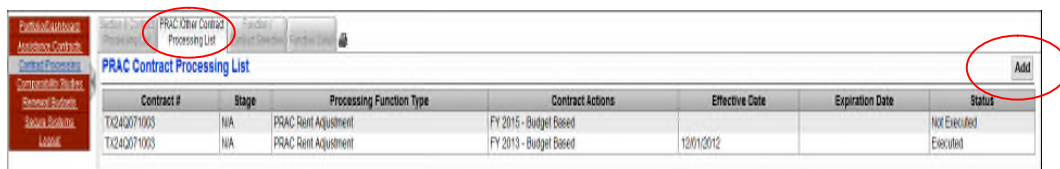


17.6.3 PRAC and PAC adjustments

To enter a New PRAC or PAC Budget Based Adjustment:

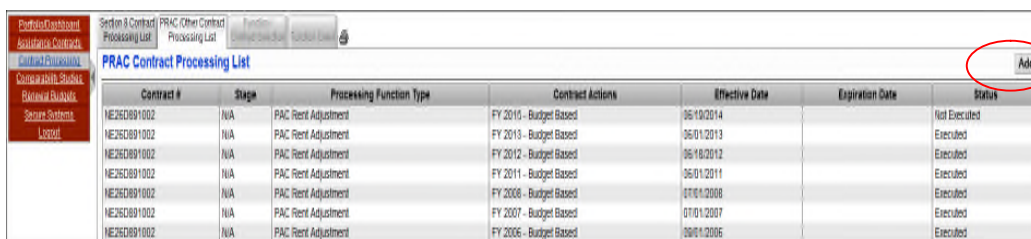
Rent Adjustments for PRAC and PAC contracts are available from the **Contract Processing** section under the **PRAC/Other Contract Processing List** tab.

- From the **PRAC Contract Processing List** page, click on .




Contract #	Stage	Processing Function Type	Contract Actions	Effective Date	Expiration Date	Status
T1242071003	N/A	PRAC Rent Adjustment	FY 2015 - Budget Based			Not Executed
T1242071003	N/A	PRAC Rent Adjustment	FY 2013 - Budget Based	12/01/2012		Executed

Figure 17-176. PRAC Rent Adjustment




Contract #	Stage	Processing Function Type	Contract Actions	Effective Date	Expiration Date	Status
NE26DB91002	N/A	PAC Rent Adjustment	FY 2015 - Budget Based	06/19/2014		Not Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2013 - Budget Based	06/01/2013		Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2012 - Budget Based	06/18/2012		Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2011 - Budget Based	06/01/2011		Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2008 - Budget Based	07/01/2008		Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2007 - Budget Based	07/01/2007		Executed
NE26DB91002	N/A	PAC Rent Adjustment	FY 2006 - Budget Based	06/01/2006		Executed

Figure 17-177. PAC Rent Adjustment

 *Note: For PAC and PRAC contracts use the same instructions for entering a new Budget Based Rent Adjustment.*

2. The **Function/Contract Selection** page displays.




Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration
<input type="checkbox"/>	NE362001002	N/A	06/30/2014
<input type="checkbox"/>	NE362001001	N/A	12/31/2014

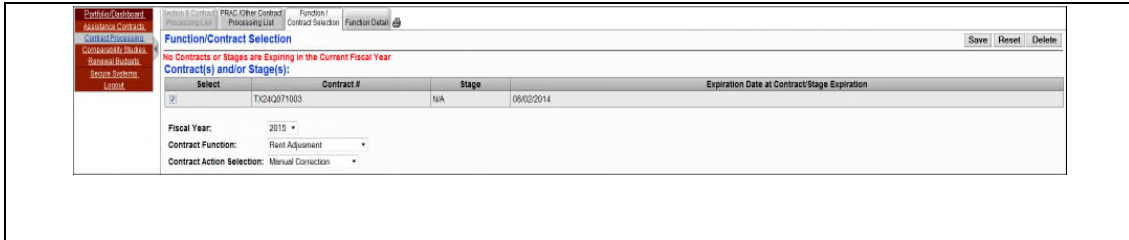
Fiscal Year: 2015
 Contract Function: Rent Adjustment
 Contract Action Selection: Budget Based
 Date Owner Signed Submission: 06/02/2014
 Date Owner Submission Package Initially Received: 06/06/2014
 Date Complete Package Received from Owner: 06/06/2014

Figure 17-178. Function Contract Selection

3. Select the Contract associated with the rent adjustment.
4. Enter the following information:
 - *Fiscal Year, from the drop-down list*
 - *Contract Function, select “Rent Adjustment”*
 - *Contract Action Selection, select “Budget Based”*
 - *Date Owner Signed Submission*
 - *Date Owner Submission Package Initially Received*
 - *Date Complete Package Received from Owner*

 *Note: For PAC and PRAC contracts, the “Budget Based” and “Manual Correction” are the only selections included in the Contract Action Selection.*

 *Note: The “Manual Correction” Contract Action does not display the dates.*



5. Click on **Save** and the save was successful message displays.

6. Click on the **Function Detail** tab and the **Rent Adjustments** page displays.

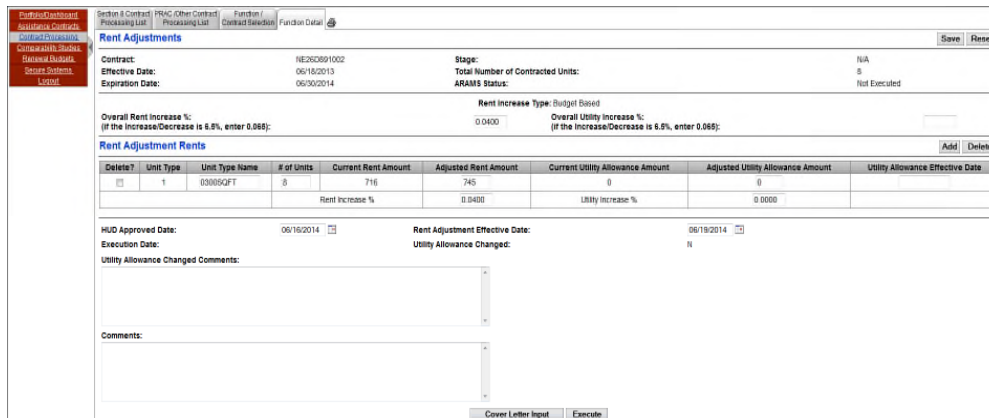


Figure 17-179. Rent Adjustment page

7. Enter the following information:

- Overall Rent Increase %
 - Overall Utility %, if applicable
- OR**
- Rent Increase %, in the field corresponding the correct unit type
 - Utility Increase %, (if applicable) in the field corresponding to the correct unit type.
 - HUD Approved Date
 - Rent Adjustment Effective Date
 - Comments, if applicable

8. Click and a message that the save was successful displays.
9. Click on to execute the rent adjustment, and the following message displays.

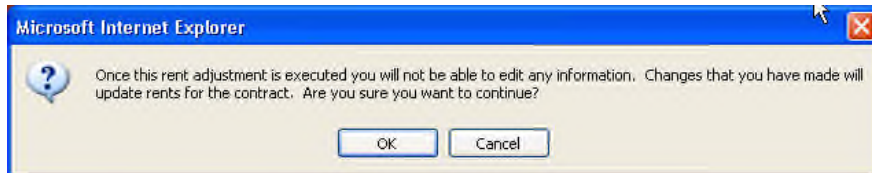
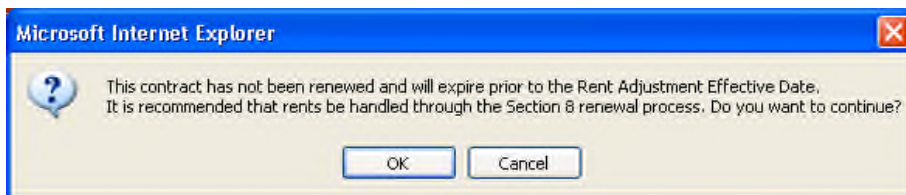


Figure 17-180. Rent adjustment warning message

Note: If you attempt to execute a rent adjustment for a contract that has no renewal the following message will display.



10. Click and the **Rent Adjustments** page displays with a message that the execution was successful.

Adding/Deleting unit type records:

The number of units entered for a rent adjustment **MUST** match the number of units in the contract in order to execute the rent adjustment. Adding more units or deleting units from the total contract amount will result in the following error message.

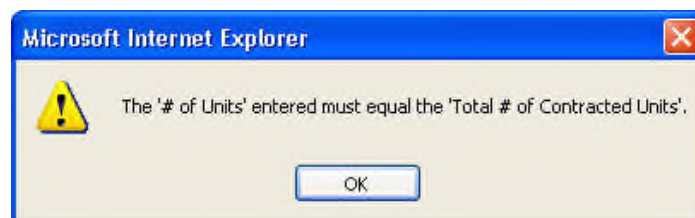


Figure 17-181. Warning message when units are mismatched

To add a unit type rent record:

1. From the **Function/Contract Selection** page, click on the *Function Detail* tab and the **Rent Adjustments** page displays.
2. Click on **Add** and the **Rent Adjustments** page, and the **Rent Adjustments Detail** page displays.

Unit Type	Unit Type Name	# of Units	Current Rent Amount	Adjusted Rent Amount	Current Utility Allowance Amount	Adjusted Utility Allowance Amount	Utility Allowance Effective Date
1	0522SQFT	4	1066	1066	33	33	07/01/2012
1	01FL, 0522SQFT	18	1056	1056	33	33	07/01/2012
2	0752SQFT	2	1296	1296	49	49	07/01/2012
2	01FL, 0752SQFT	4	1249	1249	49	49	07/01/2012

Rent Adjustments Detail Save Reset Back

Unit Type: Adjusted Rent Amount:

Unit Type Name: Adjusted Utility Allowance Amount:

Number of Units: Utility Allowance Effective Date:

Figure 17-182. iREMS Rent Adjustments Detail - add unit type

3. Enter the following information, *if applicable*:
 - *Unit Type*
 - *Unit Type Name*
 - *Number of Units*
 - *Adjusted Rent Amount*
 - *Adjusted Utility Allowance Amount*
 - *Utility Allowance Effective Date*
4. Click **Save** and the **Rent Adjustments** page displays with the message that the save was successful.

Alternative option

Click on **Reset** to return the page to blank fields.

To delete a unit type rent record:

1. On the **Rent Adjustments** page, select the checkbox next to the unit type you want to delete.

Figure 17-183. Rent Adjustments – delete unit type

- Click on **Delete** and the **Rent Adjustments** page displays with the message that the delete was successful.

Printing Documents Associated with Rent Adjustments

Once you have executed a rent adjustment, you can print the associated documents. The **Rent Adjustment Report Input** page allows you to specify what information to include in the cover letter that is sent to the owner and PBCA, including name and title of addressee, the name and title of sender, and information related to the Notification of Contract Signature.

Once a rent adjustment has been executed, the **Rent Adjustment Report Input** page displays a **Generate Report** button at the bottom of the page.

To generate and print documents:

- On the **Rent Adjustments** page, click on **Execute** and the following warning message displays.

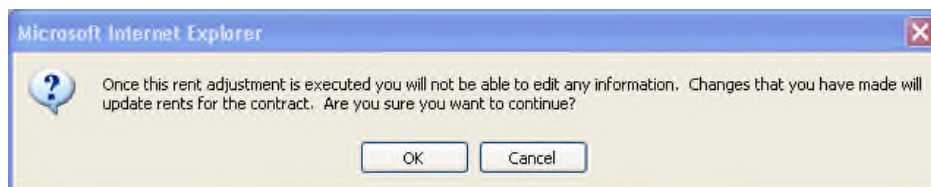
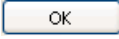



Figure 17-184. Rent Adjustment warning

2. Click on  and the **Rent Adjustments** page displays with the message that the save was successful.
3. Click on  and the **Rent Adjustment Report Input** page displays.

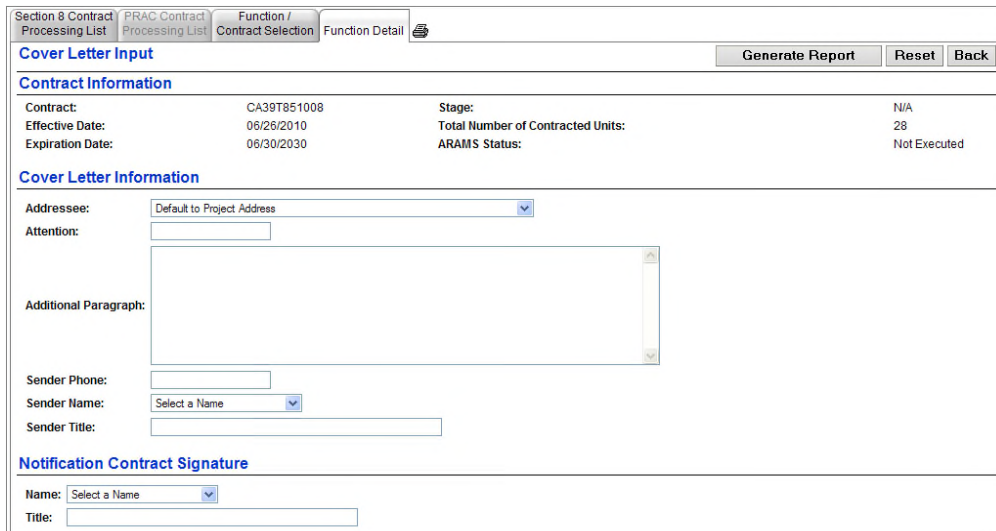


Figure 17-185. iREMS Rent Adjustment Cover Letter Input page


4. Enter the following information, where applicable:
 - *Addressee, from drop-down*
 - *Attention*
 - *Additional paragraph*
 - *Sender Phone*
 - *Sender Name, from drop-down*
 - *Sender Title*

Notification Contract Signature:

- *Name*
- *Title*

5. Click on  and the documents are generated.

Alternative option

Click on  to return the fields to blank, or previously entered values.

The page displays the documents with a menu bar that allows you to navigate through the pages, search the document for items, print, or download.

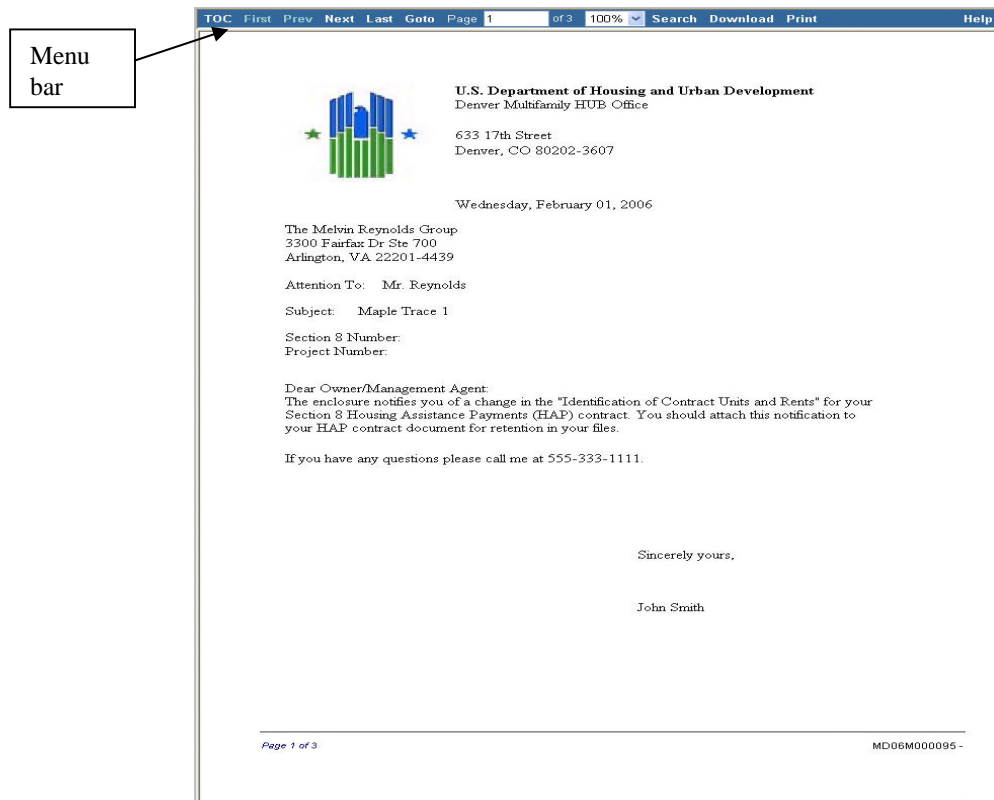



Figure 17-186. Sample Document for Rent Adjustments

 *Note: Rent adjustments for staged contracts or retroactive rents cannot be done in iREMS. These types of rent adjustments must be executed in TRACS.*

To update or delete Rent Adjustments information:

Once Rent Adjustment information has been entered and saved in the **iREMS** Contract Processing business area, you access the record by selecting **Contract Processing** from the sidebar. All records for a selected property will display on the **Contract Processing List** page. However, once a Rent Adjustment is executed, it can no longer be updated or deleted.

17.7 Comparability Study

The **Comparability Study List** page is the default that displays after you have selected a property and selected Comparability Studies from the sidebar. This page displays a comparability studies table with a list of all comparability studies associated with this property. Each comparability study displayed in the table accesses detail pages for the purpose of adding Rent Comparability Study (RCS) information. The pages and functionality are identical for each renewal option.

Contracts that renew for the first time under Option 1a/1b or Option 2 are required to submit a RCS. For the purpose of subsequent contract renewals, the RCS is valid for a period of five years. Owners are required to submit a new RCS at the end of the five-year period. If HUD believes that contract rents have significantly exceeded comparable market rents, HUD may request one updated RCS during the five-year period.

RCS information is stored at the property level. If a current RCS exists for a property, the record displays on the **Comparability Study List** page. You can use an existing RCS by selecting the comparability study from the *Comparability Studies* table. If no RCS exists in the system, the table is blank. Once an RCS is entered for a property it displays in the table.

Note: If an RCS is associated with a renewal that has been locked by ARAMS (i.e., if the status of the renewal in ARAMS is any status other than "Pending"), the information on the RCS detail pages for that RCS are also locked. This prevents any changes being made that could impact the renewal record as it moves through the process.

You must keep detailed records in **iREMS** of which properties have completed the RCS. This information must include the date of the initial Section 8 contract renewal, since that is the date that marks the start of the five-year period. The RCS must include all Section 8 unit types for the property.

The **Comparability Study Detail** page allows you to add detailed comparability study information in relation to the Section 8 subsidized units on the property. Information on the **Comparability Study Detail** page includes the date the HUD form 92273 is signed by the appraiser, the submission, review, and accepted/approved dates, and comparable rents by unit type. The dates, source, unit types, and comparable rents display in table on the **Comparability Study List** page once the information is saved.

To access the comparability study page

1. From the **Subsidy Administration Portfolio/Dashboard**, click on a property and the **Assistance Contract** page displays.
2. Click on *Comparability Studies* in the sidebar and the **Comparability Studies List** page displays.

Fiscal Year	Date Appraiser Signed HUD 92273	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
2013	02/08/2011	Owner		Yes	1	1083.00
					2	1266.00
					3	1554.00
2012	02/08/2011	Owner	06/20/2012	Yes	1	1059.00
					2	1238.00
					3	1519.00
2011	02/08/2011	Owner	04/28/2011	No	1	1035.00
					2	1210.00
					3	1485.00

Figure 17-187. Comparability Study List page

*Note: On the Comparability Study List and the Comparability Study Selection within **Contract Processing** if there is a renewal that is associated to the comp study and that renewal is associated to a pending contract (ARAMS status at the top of the renewal past the status of 'PEND'), IREMS will display the pending contract execution date in the table column called "Execution Date of First Related Renewal". If there is a renewal that is associated to the comparability study but the renewal is not associated to any pending contract the "Execution Date of the First Related Renewal" will be blank.*

To access an existing comparability study:

1. From the **Subsidy Administration Portfolio/Dashboard**, click on a property and the **Assistance Contract** page displays.
2. Click on **Comparability Studies** in the sidebar and the **Comparability Studies** page displays with a list of all comparability studies for the contract.

Fiscal Year	Date Appraiser Signed HUD 92273	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
2013	02/08/2011	Owner		Yes	1	1083.00
					2	1266.00
					3	1554.00
2012	02/08/2011	Owner	06/20/2012	Yes	1	1059.00
					2	1238.00
					3	1519.00
2011	02/08/2011	Owner	04/28/2011	No	1	1035.00
					2	1210.00
					3	1485.00

Figure 17-188. Comparability Studies page

3. Highlight and click on one of the comparability studies listed in the table and the **Comparability Studies** page displays.

17.8 Comparability Study Detail

The **Comparability Study Detail** page allows you to add detailed comparability study information in relation to the Section 8 subsidized units on the property. Information on the **Comparability Study Detail** page includes the date the HUD form 92273 is signed by the appraiser, the submission, review, and accepted/approved dates, and comparable rents by unit type. The dates, source, unit types, and comparable rents display in table on the **Comparability Study List** page once the page is saved.

All of the renewal option detail pages that display a *Comparability Study* table, with buttons to access detail pages for the purpose of adding an RCS, have pages and functionality that are identical.

Asset Management Subsidy Administration Asset Disposition Reports

Property ID: 800000310 Name: JANMAR APTS
Contract/FHA#: 06235643 Active Status: Y Watch List: N Troubled Status: Potentially Troubled DEC Status: NONE

Search: FHA # [] Settings

Portfolio/Dashboard
Assistance Contracts
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout

Comparability Study List Comparability Study Detail

Comparability Study Detail [Save] [Reset] [Delete]

Fiscal Year: 2010
Date HUD Form 92273 Signed by Appraiser: 06/03/2009
Comparability Study Submitted (to HUD) Date: 06/04/2009
Comparability Study Source: []
Comparability Study Reviewed (by HUD) Date: 06/05/2009
Date Accepted/Approved by HUD: 06/08/2009

Comparable Rents [Add]

Unit/Bedroom Type	Comparable Rent (Monthly)	Unit Description
1	689.00	

Figure 17-189. Comparability Study Detail page

To add a comparability study:

1. From the **Subsidy Administration Portfolio/Dashboard**, click on a property and the **Assistance Contract** page displays.
2. Click on *Comparability Studies* in the sidebar and the **Comparability Studies List** page displays.

Portfolio/Dashboard
Assistance Contracts
Contract Processing
Comparability Studies
Renewal Budgets
Secure Systems
Logout

Comparability Study List Comparability Study Detail

Comparability Studies [Add]

Fiscal Year	Date Appraiser Signed HUD 92273	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
2013	02/08/2011	Owner		Yes	1	1083.00
					2	1266.00
					3	1554.00
2012	02/08/2011	Owner	06/20/2012	Yes	1	1059.00
					2	1238.00
					3	1519.00
2011	02/08/2011	Owner	04/28/2011	No	1	1035.00
					2	1210.00
					3	1485.00

Figure 17-190. Comparability Studies page

3. Click on **Add** and the **Comparability Study Detail** page displays.

The screenshot shows the 'Comparability Study Detail' page. The top header includes navigation tabs (Asset Management, Subsidy Administration, Asset Disposition, Reports) and property information (Property ID: 000000310, Name: JANMAR APTS, Contract/FHA #: 06235643, Active Status: Y, Watch List: N, Troubled Status: Potentially Troubled, DEC Status: NONE). A search bar for 'FHA #' is also present. The sidebar on the left contains links for Portfolio/Dashboard, Assistance Contracts, Contract Processing, Comparability Studies (selected), Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'Comparability Study List' and 'Comparability Study Detail'. The 'Comparability Study Detail' tab is active, showing form fields for Fiscal Year (2010), Date HUD Form 92273 Signed by Appraiser, Comparability Study Submitted (to HUD) Date, Comparability Study Source, Comparability Study Reviewed (by HUD) Date, and Date Accepted/Approved by HUD. There are 'Save' and 'Reset' buttons. Below the form is a section titled 'Comparable Rents' with an 'Add' button. A table with three columns is shown: Unit/Bedroom Type, Comparable Rent (Monthly), and Unit Description.

Figure 17-191. Comparability Study Detail page

4. Enter the following information:
 - *Fiscal Year, from the drop-down list*
 - *Date HUD Form 92273 Signed by Appraiser (mm/dd/yyyy)*
 - *Comparability Study Submitted (to HUD) Date (mm/dd/yyyy)*
 - *Comparability Study Source, from the drop-down list*
 - *Comparability Study Reviewed (by HUD) Date (mm/dd/yyyy)*
 - *Date Accepted/Approved by HUD (mm/dd/yyyy)*
5. Click on **Save** and the save was successful message displays.

To add comparable rent information:

You can add comparable rent amounts according to unit types for a comparability study. The comparable rents display in a table on the **Comparability Study Detail** page. Each row becomes a link to a populated page for existing information.

1. From the **Comparability Study Detail** page, click on **Add** and the **Comparable Rent Detail** page displays.

Figure 17-192. Comparable Rent Detail

2. Enter the following information:
 - *Unit Bedroom Type*
 - *Comparable Rent*
 - *Unit Description*
3. Click on **Save** and a message that the save was successful displays.
4. Repeat steps 1-3 until all rents have been entered.

Note: You must enter separate records for identical bedroom types that vary in description. For instance, if a property has 2 different sizes of 1-bedroom units, or 1 bedroom units that have different features (i.e., a study), enter each 1 bedroom by clicking on the Add Comparable Rent button, and enter a description in the text box.

To Update a Comparability Study:

1. From the **Comparability Studies** page, highlight and click on the comparability study in the list and the **Comparability Study Detail** page displays.

Figure 17-193. Comparable Study Detail page

2. Update information as required.
3. Highlight and click on a unit/bedroom type and the **Comparable Rent Detail** page displays.

Figure 17-194. Comparability Rent Detail page

4. Make changes and click on **Save**. The save was successful message displays.
5. Repeat steps 3 -4 until all rents have been entered.
6. Click on **Save** in the **Comparability Study Detail** page to save any changes made to other information made on the page. The save was successful displays.

17.9 Renewal Budgets

For most properties, iREMS uses the entry of standard renewal budgets, including dates and percentage increases related to the rent and the utility allowance to calculate the budget-based adjusted rents and the related rent potential. However, for certain properties (i.e., those with 515/8 financing) a Rural Housing

Service (RHS) budget is appropriate instead. These budgets usually provide the adjusted rent by the unit type, rather than a standard percentage.

Once selected from the sidebar, the Renewal Budgets selection displays a Renewal Budget table, with links to access detail pages for the purpose of adding renewal budget information. The standard budget detail pages and functionality are identical for each renewal option. RHS Budgets display in a separate table and are available for option 2, option 4 and amend-rent function only. Selecting either the *Renewal budget* or *RHS budget* will determine which detailed page displays for entering information.

Renewal budget information is stored at the property level. If a current renewal budget record exists for a property that record displays both on the **Renewal Budget List** page and on the **Budget Selection** page. On the **Budget Selection** page you can use an existing renewal budget record by selecting the checkbox next to the record in the table. If no renewal budget exists in the system, the table is blank and you must access the *Renewal Budgets* selection from the sidebar to enter one. Once a renewal budget is entered for a property on the **Renewal Budget Detail** page, it displays on both the table on the **Renewal Budget List** page and on the **Budget Selection** page.

The **Renewal Budget Detail** page allows you to add detailed renewal budget information. Information on the **Renewal Budget Detail** page includes the date the budget is prepared, the submission, review, and accepted/approved dates, the annual budget-based rent potential, and the percentage increase of budget-based rents. The approval date, budget-based rents percentage increase, unit types, and budget-based rents display in table form on the renewal option detail page once it is saved.

To add renewal budget information:

1. From the **Contract Processing** page, click on *Renewal Budget* from the sidebar and the **Renewal Budget Lists** page displays.

Figure 17-195. Renewal Budget Lists page

2. Select a Budget from the list or click on **Add Renewal Budget** and the **Renewal Budget Detail** page displays.

The screenshot displays the 'Renewal Budget Detail' page. The top header includes tabs for 'Asset Management', 'Subsidy Administration', 'Asset Disposition', and 'Reports'. Below the tabs, property information is shown: 'Property ID: 800000310', 'Name: JANMAR APTS', 'Contract/FHA#: 06235643', 'Active Status: Y', 'Watch List: N', 'Troubled Status: Potentially Troubled', and 'DEC Status: NONE'. A search bar for 'FHA #' is also present. The sidebar on the left contains links for 'Portfolio/Dashboard', 'Assistance Contracts', 'Contract Processing', 'Comparability Studies', 'Renewal Budgets', 'Secure Systems', and 'Logout'. The main form area is titled 'Renewal Budget Detail' and includes fields for 'Budget Prepared Date', 'Fiscal Year' (a dropdown menu set to 2010), 'Budget Submitted (to HUD) Date', 'Budget Reviewed (by HUD) Date', 'Budget Accepted/Approved (by HUD) Date', 'Budget-Based Rents % Increase/Decrease (if the Increase/Decrease is 6.5%, enter 0.065)', and 'Budget-Based Utility Allowance % Increase (if separate from rent and applicable)'. 'Save' and 'Reset' buttons are located at the top right of the form.

Figure 17-197. Renewal Budget Detail page

3. Enter the following information:
 - *Budget Prepared Date (mm/dd/yyyy)*
 - *Fiscal Year, from the drop-down list*
 - *Budget Submitted (to HUD) Date (mm/dd/yyyy)*
 - *Budget Reviewed (by HUD) Date (mm/dd/yyyy)*
 - *Date Accepted/Approved by HUD (mm/dd/yyyy)*
 - *Budget-Based Rents% Increase/Decrease*
 - *Budget Base Utility Allowance % Increase*
4. Click on **Save** and save was successful message displays.

To update renewal budget information:

1. From the **Contract Processing** page, click on *Renewal Budget* from the sidebar and the **Renewal Budget Lists** page displays.
2. Select a budget from the list and the **Renewal Budget Detail** page displays.
3. Enter the new data.
4. Click on **Save** and the save was successful message displays.

To delete renewal budget information:

1. From the **Renewal Budget Lists** page, click on a Renewal Budget link and the **Renewal Budget Detail** page displays.
2. Click on **Delete** and the delete confirmation dialog box displays.

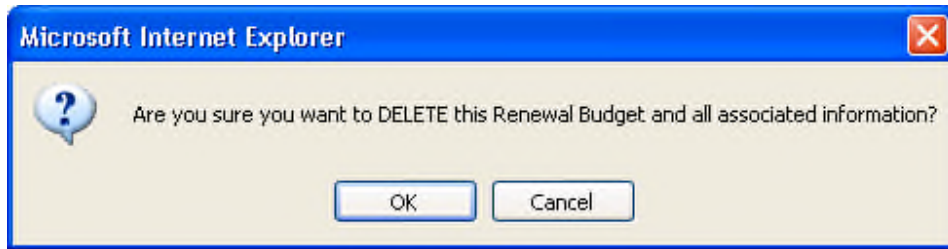


Figure 17-198. Delete Confirmation Dialog Box

3. Click on to delete, and the **Renewal Budget Detail** page displays with a message that the delete was successful.

Alternative Option

Click on to cancel the delete function.

To add RHS renewal budget information:

1. From the **Contract Processing** page, click on *Renewal Budget* from the sidebar and the **Renewal Budget Lists** page displays.

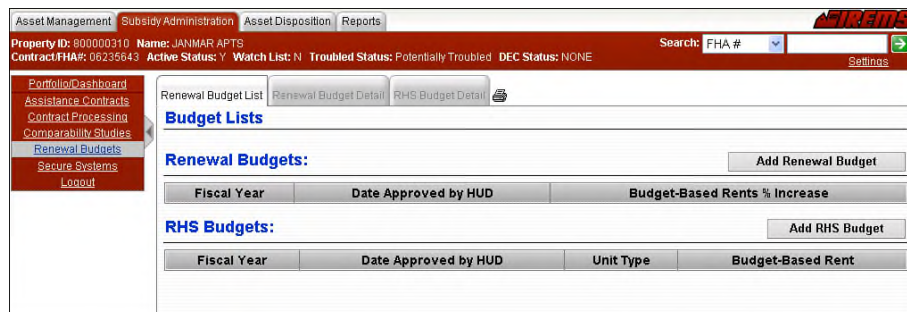


Figure 17-199. Renewal Budget Lists page

2. Click on and the **RHS Budget** page displays.


Figure 17-200. RHS Budget Detail

3. Enter the following information:
 - *RHS Budget Operation Fiscal Year, from the drop-down list*
 - *Budget Submitted (to HUD) Date (mm/dd/yyyy)*
 - *Date Accepted/Approved by HUD (mm/dd/yyyy)*
4. Click on **Add Budget-Based Rent** and the RHS Budget-Based Rents page displays.

Figure 17-201. RHS Budget - Based Rent Detail page

Note: If you attempt to enter a RHS budget with a submitted date that already exists for another RHS budget for the current property, the following warning message displays “A RHS Budget has already been entered with this Budget Submitted Date. Are you sure that you want to enter a second?” You can override the warning and save the record by selecting “OK”.

5. Enter the following information:
 - *Unit/Bedroom Type*

- *Unit Description*
 - *Approved RHS Budget-Base Rent*
 - *Approved RHS Budget-Base Utility Allowance*
6. Click on  to save and the **RHS Budget Detail** page displays.
 7. Repeat steps 4-6 to add another new rent record.

17.10 Energy Performance Contracts (EPC)

The Energy Performance Contracts (EPC) is a program within HUD's multifamily housing group. This program is in compliance with one of HUD's strategic objectives: 'expand access to and availability of decent, affordable rental housing'. One of the key strategies of accomplishing this goal is to increase the energy efficiency of household appliances and lighting. This way, savings in energy costs can be used by HUD to provide additional housing.

HUD requires that the owner contracts with a company to install energy efficient utilities in agreed upon multifamily properties. The contractor has guaranteed to lower a certain amount of energy consumption for each property where this is done. The actual utilities that qualify will be specified at a later date. If an owner makes energy improvements that affect utility bills that HUD provides direct annual assistance for, this EPC program allows for a time period in which the owner captures these savings so they can repay the capital required to make the improvements.

The program will run at no cost to HUD since the energy saved is paying for improvements, and HUD will enter into a new HAP using the preservation exhibit.

The 2500 units participating in the Energy Performance Contract (EPC) Pilot, will receive an energy savings adjustment (ESA) based on their projected energy savings that will allow these properties to pay off the capital costs associated with energy conservation measures that they install. The savings will be realized over an estimated period of 8-12 years for each property. The energy adjustments are at the contract level. One contract on the property can have energy efficient entries and another not.

HUD will be able to capture the effective and expiration dates for the energy adjustment to determine the time period for the energy saving as well as other factors to determine the savings. The EPC program is available for options 1a, 1b, 2, 4 and 5b. Options 3 and 5a are not eligible; they will remain in auto OCAF.

An overview of some of the details and system changes are as follows:

- Contract PRAC owners will remain under their current contracts. Section 8 owners will enter a new 20 year HAP contract and sign the preservation exhibit that maintains the years remaining on their existing contract.

- Year 1 Adjustment (Year 1 is defined as the first rent anniversary date equal to or after the EPC Retrofit Completion date). For Option 1 the savings will be applied in a new rent increase factor that applies the savings in the rent adjustment. Option 2, 4 and 5b will apply the savings directly into the budget pulled into the rent adjustment. Year 1 Utility Allowances will be adjusted down by 50% of the projected energy savings.
- Year 2 Adjustment (Year 2 is defined as the second rent anniversary date equal to or after the EPC Retrofit Completion date). For Option 1 the savings will be applied in a new rent increase factor that applies the savings in the rent adjustment. Option 2, 4 and 5b will apply the savings directly into the budget pulled into the rent adjustment.
 - Utility Allowance. The budget line-item for utility allowance or the Utility Allowance is expected to at least decrease by the amount of the rent adjustment up.
- OCAF (Year 3 Adjustment to end of the EPC Term). Operating Cost Adjustment Factor (OCAF), or a similar rate, will be applied to the total rent, including the ESA (Energy Savings Adjustment). The ESA should be considered a comp adjustment and not applied to the OCAF since a property cannot get an adjustment and an OCAF in the same year, so the OCAF sheet is not being used. A separate rent increase factor will be figured. In addition, for the term of the EPC program these contracts will not participate in auto ocaf and will not be subject to limiting the budget increase to comps.
- Contract Rider. A rider will be placed on the property contract that allows for these adjustments and requires the ESA is removed when the EPC contract term or amortization period ends.
- Junior Lien. HUD will allow a junior lien to be place on the property.
- Incentive Payments. Owners will be able to request an incentive payment annually for up to 15% of the projected savings amount from an escrow account they set up, if savings are greater than required to pay applicable debt service and measurement and verification costs.
- Threshold Requirements:
 - The sum of the annual debt service and measurement and verification fee, if applicable, will be at least 80% of the projected savings amount.
 - Owners will also be required to agree to replace any of the ECMs with equal or higher performing ones from an energy consumption basis after the ESRA contract terminates for the term remaining on the contract.

There will be no changes to the security rules for the new EPC screen and Contract Processing Function detail screens. Both Housing (PM, BPM, SPM) and PBCA (CA, BCA, SCA) can update the contract processing screens, and Housing for the EPC screen.

17.10.1 Energy Performance Contract Renewals

PRAC owners will remain under their current contracts. Section 8 owners will enter a new 20 year HAP contract and sign the preservation exhibit that maintains the years remaining on their existing contract.

For Contract Processing Renewal the online will identify EPC contracts based on the effective and expiration date of the EPC, and if the renewal contract effective date fall within the EPC identified effective and expiration dates then the Contract Processing – Function Detail – Dates and Comments will display the “Energy Performance Contract Indicator=’Y’” label/field if the EPC enrollment indicator = ‘Y’. The energy adjusted effective and expiration dates will be at the contract level. One contract on the property can have energy efficient entries and another not.

A rider will be placed on the property contract that allows for these adjustments and requires the ESA is removed when the EPC contract term or amortization period ends.

17.10.1.1 EPC Renewals for Options 1a, 1b and 2

Energy Performance Contract Renewals for Options 1a, 1b and 2 are entered **without** the request to track the *EPC Yearly Savings*.

To enter an EPC Renewal for Options 1a, 1b and 2:

1. From the **Subsidy Administration** section, click on *Assistance Contracts* from the sidebar and the **Assistance Contract List** page displays.

Figure 17-202. Assistance Contract List page

Note: The “EPC Enrollment” column has an “N” displayed.

2. Click on the record in the **Assistance Contract List** table and the **Assistance Contract Status** page displays.

Assistance Contract List Assistance Contract Status Assistance Contract Detail Current Contract Administrator/ Contact Contract Administrator History

Assistance Contract Status Save Reset

Contract Number: CA39H113089 TRACS Contract Status: Active

Program Type: HFDA/8 NC Status Update: ☒ Automatic ☐ Manual

Contract Administered By: HUD Current Contract Status: Active - Active

Stages

Stage Number	Stage Effective Date	Stage Expiration Date	TRACS Status	Next Expiring
Staged [N]				

Energy Performance Contract

Energy Performance Contract Enrollment Indicator: ☐ Yes ☒ No

Figure 17-203. Assistance Contract Status page

Note: The “Energy Performance Contract Enrollment Indicator: is listed as “No”.

- Click “Yes” for the *Energy Performance Contract Enrollment Indicator* field and the **Energy Performance Contract Details** page displays.

Assistance Contract List Assistance Contract Status Assistance Contract Detail Current Contract Administrator/ Contact Contract Administrator History

Energy Performance Contract Details Save Reset Back

Contract Number: CA39H113089

Energy Performance Contract Effective Date: 08/01/2013

Energy Performance Contract Term (Years): 10

Energy Performance Contract Expiration Date:

Energy Performance Retrofit Completion Date:

Energy Performance Contract Total Debt Amount: 100000

Energy Performance Contract Annual Debt Amount:

Energy Performance Contract Total Project Savings Amount: 50000

Energy Performance Contract Annual Project Savings Amount:

Energy Performance Contract 47.5% of Annual Project Savings Amount:

Energy Performance Contract Yearly Savings Tracking Indicator: ☐ Yes ☒ No

Figure 17-204. Energy Performance Contract Details page

- Enter the requested data.
- Click “No” for the “Energy Performance Contract Yearly Savings Tracking Indicator”

Note: The “Energy Performance Retrofit Completion Date” will be entered when completed.

Note: For Options 1a, 1b and 2 click “No” for “Energy Performance Contract Yearly Savings Tracking Indicator”. For Option 4 and 5b click “Yes”.

- Click on **Save** and the completed **Energy Performance Contract Details** page displays.

Energy Performance Contract Details

Contract Number: CA39H113089

Energy Performance Contract Effective Date: 08/01/2013

Energy Performance Contract Term (Years): 10

Energy Performance Contract Expiration Date: 07/31/2023

Energy Performance Retrofit Completion Date:

Energy Performance Contract Total Debt Amount: 100000

Energy Performance Contract Annual Debt Amount: 10000

Energy Performance Contract Total Project Savings Amount: 50000

Energy Performance Contract Annual Project Savings Amount: 5000

Energy Performance Contract 47.5% of Annual Project Savings Amount: 2375

Energy Performance Contract Yearly Savings Tracking Indicator: ☐ Yes ☒ No

Figure 17-205. Energy Performance Contract Details (Options 1a, 1b and 2)

- Click on **Back** and the **Assistance Contract Status** page displays with the *Energy Performance Contract* table completed with the entered data.

Assistance Contract Status

Contract Number: CA39H113089 TRACS Contract Status: Active

Program Type: HFDA/8 NC Status Update: ☒ Automatic ☐ Manual

Contract Administered By: HUD Current Contract Status: Active - Active

Stages

Staged [N]

Stage Number	Stage Effective Date	Stage Expiration Date	TRACS Status	Next Expiring

Energy Performance Contract

Energy Performance Contract Enrollment Indicator: ☒ Yes ☐ No

EPC Effective Date	EPC Term (Years)	EPC Expiration Date	EPC Retrofit Completion Date	EPC Yearly Saving
08/01/2013	10	07/31/2023		N

Figure 17-206. Assistance Contract Status page (Options 1a, 1b and 2)

- Click on the **Assistance Contract List** tab and the **Assistance Contract List** page displays with “Y” in the *EPC Enrollment* column of the table.

Assistance Contract List

Contract #	Current Contract Status	TRACS Contract Status	Program	Doc Type	Exp Date	Stage	EPC Enrollment	Contract Authority	Budget Authority
CA39H113089	Active - Active	Active	HFDA/8 NC	HAP	10/31/2013	N	Y	437120.00	13255008.00

First Contract or Stage Expiration Date Pursuant to MAHRA:

DUNS Number:

Figure 17-207. Assistance Contract List page (Options 1a, 1b and 2)

Figure 17-208. Dates and Comments (with EPC Indicator marked as “Yes”)

17.10.1.2 EPC Renewals for Options 4 and 5b

Energy Performance Contract Renewals for Options 4 and 5b are entered with the request to track the *EPC Yearly Savings*.

To enter an EPC Renewal for Options 4 and 5b:

1. From the **Subsidy Administration** section, click on *Assistance Contracts* from the sidebar and the **Assistance Contract List** page displays.

Figure 17-209. Assistance Contract List page

Note: The “EPC Enrollment” column has an “N” displayed.

2. Click on the **Assistance Contract Status** tab and the **Assistance Contract Status** page displays.

Assistance Contract List Assistance Contract Status Assistance Contract Detail Current Contract Administrator/ Contact Contract Administrator History

Assistance Contract Status Save Reset

Contract Number: CA39H113089 TRACS Contract Status: Active

Program Type: HFDA/8 NC Status Update: ☒ Automatic ☐ Manual

Contract Administered By: HUD Current Contract Status: Active - Active

Stages

Stage Number	Stage Effective Date	Stage Expiration Date	TRACS Status	Next Expiring
Staged [N]				

Energy Performance Contract

Energy Performance Contract Enrollment Indicator: ☐ Yes ☒ No

Figure 17-210. Assistance Contract Status page

Note: The “Energy Performance Contract Enrollment Indicator: is listed as “No”.

- Click “Yes” for the *Energy Performance Contract Enrollment Indicator* field and the **Energy Performance Contract Details** page displays.

Assistance Contract List Assistance Contract Status Assistance Contract Detail Current Contract Administrator/ Contact Contract Administrator History

Energy Performance Contract Details Save Reset Back

Contract Number: CA39H113089

Energy Performance Contract Effective Date: 08/01/2013

Energy Performance Contract Term (Years): 10

Energy Performance Contract Expiration Date:

Energy Performance Retrofit Completion Date:

Energy Performance Contract Total Debt Amount: 100000

Energy Performance Contract Annual Debt Amount:

Energy Performance Contract Total Project Savings Amount: 50000

Energy Performance Contract Annual Project Savings Amount:

Energy Performance Contract 47.5% of Annual Project Savings Amount:

Energy Performance Contract Yearly Savings Tracking Indicator: ☒ Yes ☐ No

Figure 17-211. Energy Performance Contract Details page

- Enter the requested data.
- Click “Yes” for the “*Energy Performance Contract Yearly Savings Tracking Indicator*”

Note: The “Energy Performance Retrofit Completion Date” will be entered when completed.

*Note: For Options 4 and 5a click “**Yes**” for “Energy Performance Contract Yearly Savings Tracking Indicator”. For Options 1a, 1b and 2 click on “No”*

- Click on **Save** and the **Energy Performance Contract Details** page displays with the *Energy Performance Contract Yearly Savings* section added.

Energy Performance Contract Details

Contract Number: CA39H113089

Energy Performance Contract Effective Date: 08/01/2013

Energy Performance Contract Term (Years): 10

Energy Performance Contract Expiration Date: 07/31/2023

Energy Performance Retrofit Completion Date:

Energy Performance Contract Total Debt Amount: 100000

Energy Performance Contract Annual Debt Amount: 10000

Energy Performance Contract Total Project Savings Amount: 50000

Energy Performance Contract Annual Project Savings Amount: 5000

Energy Performance Contract 47.5% of Annual Project Savings Amount: 2375

Energy Performance Contract Yearly Savings Tracking Indicator: ☒ Yes ☐ No

Energy Performance Contract Yearly Savings

Note: Year 1 is the Annual Project Savings x 47.5%, Year 2 is the Annual Project Savings x 95%, Year 3 is Year 2 Savings x that year's OCAF, Year 4 is Year 3 Savings x that year's OCAF, etc.

Year	Adjustment Amount
1	0
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

Figure 17-212. Energy Performance Contract Details (Options 4 and 5b) with Energy Performance Contract Yearly Savings table

- Click on **Back** and the **Assistance Contract Status** page displays with the *Energy Performance Contract* table completed with the entered data.

Assistance Contract Status

Contract Number: CA39H113089 TRACS Contract Status: Active

Program Type: HFD/AB NC Status Update: ☒ Automatic ☐ Manual

Contract Administered By: HUD Current Contract Status: Active - Active

Stages

Staged [N]

Stage Number	Stage Effective Date	Stage Expiration Date	TRACS Status	Next Expiring
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Energy Performance Contract

Energy Performance Contract Enrollment Indicator: ☒ Yes ☐ No

EPC Effective Date	EPC Term (Years)	EPC Expiration Date	EPC Retrofit Completion Date	EPC Yearly Saving
08/01/2013	10	07/31/2023		Y

Figure 17-213. Assistance Contract Status page (Options 4 and 5b)

- Click on the **Assistance Contract List** tab and the **Assistance Contract List** page displays with “Y” in the *EPC Enrollment* column of the table.

Contract #	Current Contract Status	TRACS Contract Status	Program	Doc Type	Exp Date	Staged	EPC Enrollment	Contract Authority	Budget Authority
CA39H113089	Active - Active	Active	HFDA/8 NC	HAP	10/31/2013	N	Y	437120.00	13255008.00

First Contract or Stage Expiration Date Pursuant to MAHRA:

DUNS Number:

Figure 17-215. Assistance Contract List page (Options 4 and 5b)

Contract Processing / Function / Contract Selection / Function Detail

Dates and Comments | Rent Increase | Rents | Final Review

Surviving Contract: CA390079003
Function Type: Amend Rents
Effective Date: 12/01/2011

Stage: N/A
Action: FY 2012 - 1a: Mark-Up-To-Market Eligibility
ARMS Status:

Amend Rents Dates

Amend Rents Effective Date: 12/01/2011

Amend Rents Expiration Date: 11/30/2012

Energy Performance Contract Indicator: Yes

Contract/Stage Date Information

Contract/Stage Renewal Execution Date: 12/01/2008

Contract Effective Date: 240

Length of Contract in Months: 11/30/2028

Contract Expiration Date:

Decision Comments:

Figure 17-216. Dates and Comments (EPC indicator "Yes")

17.10.2 Amend Rents for Energy Performance Contracts

Year 1 Adjustment (Year 1 is defined as the first rent anniversary date equal to or after the EPC Retrofit Completion date). Properties' Year 1 rent will be adjusted up by 47.5% of the projected annual energy savings based on their retrofit analysis for tenant paid utilities in market-based properties and both tenant and owner paid utilities in budget-based properties. Year 1 Utility Allowances will be adjusted down by 50% of the projected energy savings. This is a conservative approach that protects and benefits the residents, while capturing some of the savings for capital repayment and 2.5% of the projected savings for HUD.

Year 2 Adjustment (Year 2 is defined as the second rent anniversary date equal to or after the EPC Retrofit Completion date). In year 2, contract rents will be adjusted up by 95% (47.5% year 1 plus 47.5% year 2 = 95% by year 2) of projected savings for the duration of the time it takes for savings to pay back the capital costs and again for tenant paid utilities in market-based properties and both tenant and owner paid utilities in budget-based properties.

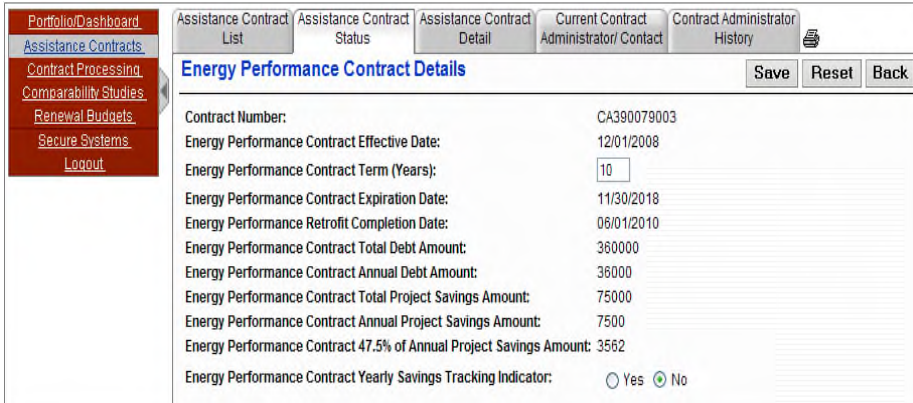
- **Utility Allowance.** The budget line-item for utility allowance or the Utility Allowance is expected to at least decrease by the amount of the rent adjustment up. In the cases where measures outperform their projection, the allowance will decrease more than the adjustment up and HUD will experience additional gains. In the cases where measures under perform their projection, Johnson Controls, the Energy Service Company provided the retrofits, has a guaranty that will provide the gap in savings at the end of the year.

OCAF (Year 3 to end of the EPC Term) Operating Cost Adjustment Factor (OCAF), or a similar rate, will be applied to the total rent, including the ESA (energy savings adjustment). The team has gotten approval for a waiver that would allow the debt associated with the Energy Performance Contract to not count against the OCAF calculation. For market-based properties, we are seeking to create a system addition to iREMS that will allow for OCAF to include the ESA. For budget-based properties, currently, field staff would have to manually apply the OCAF each year to the ESRA. The ESA should be considered a comp adjustment and not applied to the OCAF since a property cannot get an adjustment and an OCAF in the same year, so the OCAF sheet is not being used. A separate rent increase factor will be figured. In addition, for the term of the EPC program these contracts will not participate in auto OCAF and will not be subject to limiting the budget increase to comps.

17.10.2.1 Amend Rents for EPC Year 1 and Year 2 Adjustments

To enter an EPC Amend Rents for **Options 1a and 1b** for Year 1 and Year 2 Adjustments:

1. From the **EPC Details** page verify the *Energy Performance Retrofit Completion Date*.



Energy Performance Contract Details	
Contract Number:	CA390079003
Energy Performance Contract Effective Date:	12/01/2008
Energy Performance Contract Term (Years):	10
Energy Performance Contract Expiration Date:	11/30/2018
Energy Performance Retrofit Completion Date:	06/01/2010
Energy Performance Contract Total Debt Amount:	360000
Energy Performance Contract Annual Debt Amount:	36000
Energy Performance Contract Total Project Savings Amount:	75000
Energy Performance Contract Annual Project Savings Amount:	7500
Energy Performance Contract 47.5% of Annual Project Savings Amount:	3562
Energy Performance Contract Yearly Savings Tracking Indicator:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Figure 17-217. EPC Details page

2. From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

Figure 17-218. Function/Contract Selection page

3. The following information needs be completed:
 - *Contract (put a check mark in front of the selected Contract)*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
 - *Date Owner Signed Submission*
 - *Date Owner Submission Package Initially Received*
4. Click on **Save**.
5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Figure 17-219. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
7. Click on **Save** and the *Save Successful* message displays.

8. Click on the *Rent Increase* tab and the **Rent Increase** page displays.

Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | **Rent Increase** | Rents | Final Review

Rent Increase [Save] [Reset]

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2012 - 1a: Mark-Up-To-Market Eligibility
Effective Date: 12/01/2011 ARAMS Status:

Rent Increase Calculations

Annual Rent Potential for all Section 8 Units Included in the Current Process: 1115136.00
Energy Performance Contract Adjustment (47.5% of Annual Projected Utility Savings): 3562.00
Rent Increase Factor: 1.003

Figure 17-220. Rent Increase page

9. Verify the information preprinted on this page.
10. Click on **Save** and the *Save Successful* message displays.
11. Click on the *Rents* tab and the **RENTS** page displays.

Contract Processing List | Function / Contract Selection | Function Detail

Dates and Comments | Rent Increase | **Rents** | Final Review

Rents [Save] [Reset]

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2012 - 1a: Mark-Up-To-Market Eligibility
Effective Date: 12/01/2011 ARAMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent:

Calculated Renewal Rents:

Unit Type	# of Units	Current Gross Rent at Expiration	EPC Adjusted Gross Rent	Renewed Gross Rent
1	2	1104	1107	1107
1	14	1104	1107	1107
2	2	1357	1361	1361
2	46	1357	1361	1361
3	8	1611	1616	1616
Rent Potentials				
Monthly		95688	95968	95968
Annual		1148256	1151616	1151616

Renewal Rent Effective Date:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

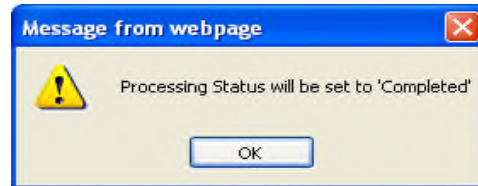
Utility Allowance Changed Comments:

Utility Allowance Changed:

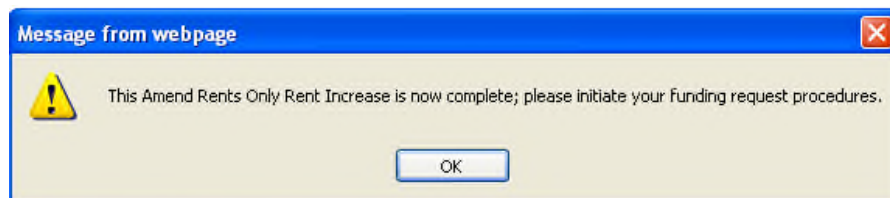
Figure 17-221. Rents page

12. Enter the following fields:
- *HUD Approved Rent (from the drop down)*
 - *Renewal Rent Effective Date*

13. Click on **Save** and the *Save Successful* message displays.
14. When the user is ready to **finalize** this record, click "Yes" in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



15. Click on *OK* and the following message box displays on the **RENT** page.



16. Click on *OK* and the Amend Rents record is complete.

To enter an EPC Amend Rent for **Option 2, 4 and 5b** for Year 1 and Year 2 Adjustments:

1. From the **EPC Details** page verify the *Energy Performance Retrofit Completion Date*.

Assistance Contract List		Assistance Contract Status		Assistance Contract Detail		Current Contract Administrator/ Contact		Contract Administrator History	
Energy Performance Contract Details									
Contract Number:						CA390079003			
Energy Performance Contract Effective Date:						12/01/2008			
Energy Performance Contract Term (Years):						10			
Energy Performance Contract Expiration Date:						11/30/2018			
Energy Performance Retrofit Completion Date:						06/01/2010			
Energy Performance Contract Total Debt Amount:						360000			
Energy Performance Contract Annual Debt Amount:						36000			
Energy Performance Contract Total Project Savings Amount:						75000			
Energy Performance Contract Annual Project Savings Amount:						7500			
Energy Performance Contract 47.5% of Annual Project Savings Amount:						3562			
Energy Performance Contract Yearly Savings Tracking Indicator:						<input checked="" type="radio"/> Yes <input type="radio"/> No			
Energy Performance Contract Yearly Savings									
Note: Year 1 is the Annual Project Savings x 47.5%, Year 2 is the Annual Project Savings x 95%, Year 3 is Year 2 Savings x that year's OCAF, Year 4 is Year 3 Savings x that year's OCAF, etc.									
Year	Adjustment Amount								
1	2850								
2	0								
3	0								
4	0								
5	0								
6	0								
7	0								
8	0								
9	0								
10	0								

Figure 17-222. EPC Details page

- From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. On the left is a sidebar with navigation links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Contractability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'Contract Processing List', 'Function / Contract Selection' (active), and 'Function Detail'. Below the tabs is a table titled 'Contract(s) and/or Stage(s):' with columns: Select, Contract #, Stage, Expiration Date at Contract/Stage Expiration, and Original Contract Effective Date Prior to October 1981?. The table contains one row with Contract # CA390079003, Stage N/A, and Expiration Date 11/30/2028. Below the table are several input fields: 'Combine Contracts and/or Stages' (No), 'Surviving Contract' (CA390079003), 'HUD Policy' (User Guide), 'Fiscal Year' (2012), 'Contract Function' (MAHRA Amend Rent Increases), 'Contract Action Selection' (4: Request Renewal for Projects Exempt from OAHF), 'Processing Status' (Option Selected - In Process), 'Date Owner Signed Submission' (04/02/2010), 'Date Owner Submission Package Initially Received' (04/05/2010), 'Date Complete Package Received from Owner' (04/05/2010), 'Is the Owner Debarred or Suspended?' (Yes, No, Unconfirmed), and 'Does the Owner Have Material Violations?' (Yes, No, Unconfirmed). At the top right are 'Save', 'Reset', and 'Delete' buttons.

Figure 17-223. Function/Contract Selection page

- The following information needs be completed:
 - Contract (put a check mark in front of the selected Contract)
 - HUD Policy
 - Fiscal Year
 - Contract Function
 - Contract Action Selection
 - Processing Status
 - Date Owner Signed Submission
 - Date Owner Submission Package Initially Received

- Click on **Save**.

- Click on the *Function Detail* tab. The **Dates and Comments** page displays.

The screenshot shows the 'Dates and Comments' page. It has tabs for 'Contract Processing List', 'Function / Contract Selection', and 'Function Detail' (active). Below the tabs are sub-tabs: 'Dates and Comments' (active), 'Budget Selection', 'Rents', and 'Final Review'. The page contains several sections: 'Surviving Contract: CA390079003', 'Function Type: Amend Rents', 'Effective Date: 12/01/2011', 'Stage: N/A', 'Action: FY 2012 - 4: Request Renewal for Projects Exempt from OAHF', and 'ARAMS Status:'. There is a dropdown menu for 'Exception Project Exempted from OAHF:'. Below this is a section titled 'Contract/Stage Date Information' with fields for 'Contract/Stage Renewal Execution Date' (12/01/2008), 'Contract Effective Date' (240), and 'Contract Expiration Date' (11/30/2028). Another section titled 'Amend Rents Dates' has fields for 'Amend Rents Effective Date' (12/01/2011) and 'Amend Rents Expiration Date' (11/30/2012). There is also a field for 'Energy Performance Contract Indicator' (Yes) and a 'Decision Comments' text area. At the top right are 'Save' and 'Reset' buttons.

Figure 17-224. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
7. Click on **Save** and the *Save Successful* message displays.
8. Click on the *Budget Selection* tab and the **Budget Selection** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Budget Selection Rents Final Review

Budget Selection Save Reset

Surviving Contract: CA390079003 Stage: N/A
 Function Type: Amend Rents Action: FY 2012 - 4: Request Renewal for Projects Exempt from OAHF
 Effective Date: 12/01/2011 ARAMS Status:

Renewal Budget Required? ☒ Yes ☐ No ☐ Unconfirmed
 Renewal Budget Type: Standard Renewal Budget

Figure 17-225. Budget Selection page

9. Enter the following fields on the **Budget Selection** page:
 - *Click on "Yes" for the Renewal Budget Required field*
 - *Select the Renewal Budget Type (from the drop down)*
10. Click on **Save** and the *Renewal Budget* table displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Budget Selection Rents Final Review

Budget Selection Save Reset

Surviving Contract: CA390079003 Stage: N/A
 Function Type: Amend Rents Action: FY 2012 - 4: Request Renewal for Projects Exempt from OAHF
 Effective Date: 12/01/2011 ARAMS Status:

Renewal Budget Required? ☒ Yes ☐ No ☐ Unconfirmed
 Renewal Budget Type: Standard Renewal Budget

Renewal Budget:

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2012	05/10/2012	5.00	1	1133
				1	1133
				2	1383
				2	1383
				3	1634

Figure 17-226. Budget Selection page

11. Select the *Renewal Budget* you want to apply to this record
12. Click on **Save** and the *Save Successful* message displays.
13. Click on the *Rents* tab and the **Rents** page displays.

Contract Processing List | Function / Contract Selection | Function Detail |

Dates and Comments | Budget Selection | Rents | Final Review

Rents Save Reset

Surviving Contract: CA390079003
Function Type: Amend Rents
Effective Date: 12/01/2011

Stage: N/A
Action: FY 2012 - 4: Request Renewal for Projects Exempt from OAHF
ARAMS Status:

Add New Rent Record | Overlay Rents with Current Rents from TRACS

HUD Approved Rent: Budget Based

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Budget-based Rent	Renewed Rent
1	2	1079	1133	1133
1	14	1079	1133	1133
2	2	1317	1383	1383
2	46	1317	1383	1383
3	8	1556	1634	1634
Rent Potentials				
Monthly		92928	97584	97584
Annual		1115136	1171008	1171008

Renewal Rent Effective Date: 12/01/2011

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

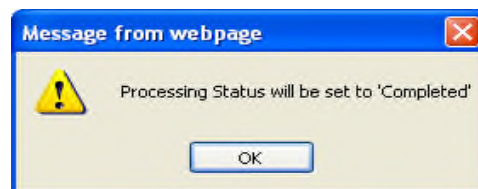
Figure 17-227. Rents page

14. Enter the following fields:

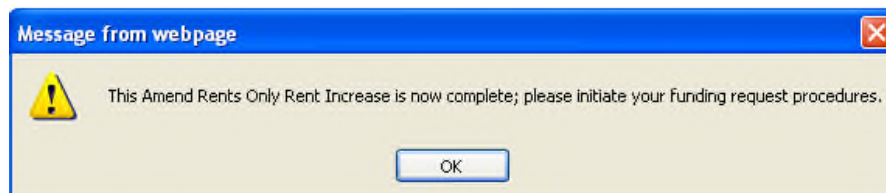
- HUD Approved Rent (from the drop down)
- Renewal Rent Effective Date

15. Click on **Save** and the *Save Successful* message displays.

16. When the user is ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



17. Click on *OK* and the following message box displays on the **RENT** page.



18. Click on *OK* and the Amend Rents record is complete.

17.10.2.2 Amend Rents for EPC Year 3 to the end of the term

To enter an EPC Amend Rent for **Options 1a and 1b** for the Year 3 to the end of the term:

1. From the **EPC Details** page verify the *Energy Performance Retrofit Completion Date*

Energy Performance Contract Details	
Contract Number:	CA390079003
Energy Performance Contract Effective Date:	12/01/2008
Energy Performance Contract Term (Years):	10
Energy Performance Contract Expiration Date:	11/30/2018
Energy Performance Retrofit Completion Date:	08/01/2010
Energy Performance Contract Total Debt Amount:	360000
Energy Performance Contract Annual Debt Amount:	36000
Energy Performance Contract Total Project Savings Amount:	75000
Energy Performance Contract Annual Project Savings Amount:	7500
Energy Performance Contract 47.5% of Annual Project Savings Amount:	3562
Energy Performance Contract Yearly Savings Tracking Indicator:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Figure 17-228. EPC Details page

2. From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA390079003	N/A	11/30/2028	N

Combine Contracts and/or Stages: No

Surviving Contract: CA390079003

HUD Policy:

Fiscal Year:

Contract Function:

Contract Action Selection:

Processing Status(if applicable):

Date Owner Signed Submission:

Date Owner Submission Package Initially Received:

Date Complete Package Received from Owner:

Is the Owner Debarred or Suspended? ☐ Yes ☐ No ☒ Unconfirmed

Does the Owner Have Material Violations? ☐ Yes ☐ No ☒ Unconfirmed

Figure 17-229. Function/Contract Selection page

3. The following information needs be completed:
 - *Contract (put a check mark in front of the selected Contract)*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*

- *Contract Action Selection*
- *Processing Status*
- *Date Owner Signed Submission*
- *Date Owner Submission Package Initially Received*

4. Click on **Save**.

5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Figure 17-230. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:

- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*

7. Click on **Save** and the *Save Successful* message displays.

8. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2012	05/21/2008	Owner	09/07/2012	Yes	1	1170
						2	1365
						3	1661

Figure 17-231. Comparability Study Selection page

9. Enter the following fields on the **Comparability Study Selection** page:

- Click on “Yes” for the *Comparability Study Required* field
- Select the “Comparability Study” (from the table)

10. Click on **Save** and the *Save Successful* message displays.

11. Click on the *OCAF* tab and the **OCAF** page displays.

Contract Processing																													
List	Function / Contract Selection																												
Function Detail																													
<div> <div>Dates and Comments</div> <div>Comparability Study Selection</div> <div>OCAF</div> <div>Rents</div> <div>Final Review</div> </div>																													
<div> <div>OCAF</div> <div>Save</div> <div>Reset</div> </div>																													
<div> <div>Surviving Contract: CA390079003</div> <div>Stage: N/A</div> <div>Function Type: Amend Rents</div> <div>Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility</div> <div>Effective Date: 12/01/2012</div> <div>ARAMS Status:</div> </div>																													
<table> <tr> <td>Annual Rent Potential for all Section 8 Units Included in the Current Process:</td> <td>1115136.00</td> </tr> <tr> <td>Annual Comparable Rent Potential for Units Included in the Current Process:</td> <td>1170336.00</td> </tr> <tr> <td>Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):</td> <td>0.00</td> </tr> <tr> <td>Annual Rent Potential Non-Section 8 Units:</td> <td>0.00</td> </tr> <tr> <td>Annual Project Rent Potential:</td> <td>1115136.00</td> </tr> <tr> <td>Expiring Section 8 Portion of Total Rent Potential:</td> <td>1.00</td> </tr> <tr> <td>Annual Project Debt Service:</td> <td>0.00</td> </tr> <tr> <td>Note: Already includes MIP amount</td> <td></td> </tr> <tr> <td>Annual Expiring Section 8 Share of Debt Service:</td> <td>0.00</td> </tr> <tr> <td>Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:</td> <td>1115136.00</td> </tr> <tr> <td>Annual Expiring Section 8 Rent Potential Attributed to Operations Multiplied by the Published OCAF (2.300%):</td> <td>1140784.13</td> </tr> <tr> <td>OCAF Adjusted Contract Rent Potential:</td> <td>1140784.13</td> </tr> <tr> <td>Lesser of OCAF or Final Comparable Market Rent Potential:</td> <td>1140784.13</td> </tr> <tr> <td>Rent Increase Factor (Based upon Lesser of OCAF vs. Comps):</td> <td>1.023</td> </tr> </table>		Annual Rent Potential for all Section 8 Units Included in the Current Process:	1115136.00	Annual Comparable Rent Potential for Units Included in the Current Process:	1170336.00	Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00	Annual Rent Potential Non-Section 8 Units:	0.00	Annual Project Rent Potential:	1115136.00	Expiring Section 8 Portion of Total Rent Potential:	1.00	Annual Project Debt Service:	0.00	Note: Already includes MIP amount		Annual Expiring Section 8 Share of Debt Service:	0.00	Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	1115136.00	Annual Expiring Section 8 Rent Potential Attributed to Operations Multiplied by the Published OCAF (2.300%):	1140784.13	OCAF Adjusted Contract Rent Potential:	1140784.13	Lesser of OCAF or Final Comparable Market Rent Potential:	1140784.13	Rent Increase Factor (Based upon Lesser of OCAF vs. Comps):	1.023
Annual Rent Potential for all Section 8 Units Included in the Current Process:	1115136.00																												
Annual Comparable Rent Potential for Units Included in the Current Process:	1170336.00																												
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process):	0.00																												
Annual Rent Potential Non-Section 8 Units:	0.00																												
Annual Project Rent Potential:	1115136.00																												
Expiring Section 8 Portion of Total Rent Potential:	1.00																												
Annual Project Debt Service:	0.00																												
Note: Already includes MIP amount																													
Annual Expiring Section 8 Share of Debt Service:	0.00																												
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service:	1115136.00																												
Annual Expiring Section 8 Rent Potential Attributed to Operations Multiplied by the Published OCAF (2.300%):	1140784.13																												
OCAF Adjusted Contract Rent Potential:	1140784.13																												
Lesser of OCAF or Final Comparable Market Rent Potential:	1140784.13																												
Rent Increase Factor (Based upon Lesser of OCAF vs. Comps):	1.023																												

Figure 17-232. OCAF page

12. Verify or correct the OCAF information.

13. Click on **Save** and the *Save Successful* message displays.

14. Click on the *Rents* tab and the **Rents** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection OCAF Rents Final Review

Rents Save Reset

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 1a: Mark-Up-To-Market Eligibility
Effective Date: 12/01/2012 ARAMS Status:

Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: OCAF Adjusted

Calculated Renewal Rents:

Unit Type	# of Units	Current Gross Rent at Expiration	Comparable Gross Rent	OCAF Adjusted Gross Rent	Renewed Gross Rent
1	2	1104	1195	1123	1123
1	14	1104	1195	1123	1123
2	2	1357	1405	1381	1381
2	46	1357	1405	1381	1381
3	8	1611	1716	1639	1639
Rent Potentials					
Monthly		95688	100288	97368	97368
Annual		1148256	1203456	1168416	1168416

Renewal Rent Effective Date: 12/01/2011

Rents Final for Contract Exhibit: ☒ Yes ☐ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

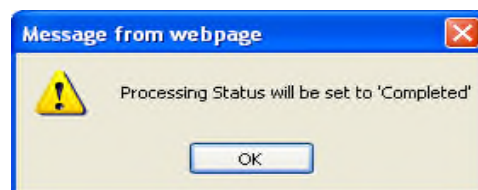
Figure 17-233. Rents page

15. Enter the following fields:

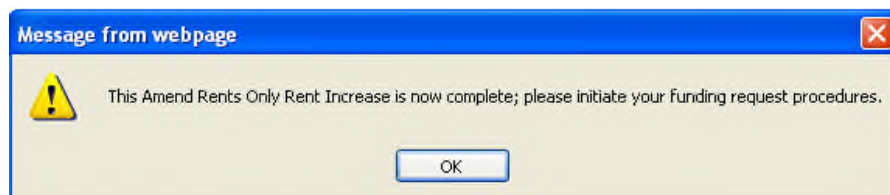
- *HUD Approved Rent (from the drop down)*
- *Renewal Rent Effective Date*

16. Click on Save and the *Save Successful* message displays.

17. When ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



18. Click on *OK* and the following message box displays on the **RENT** page.



19. Click on *OK* and the Amend Rents record is complete.

To enter an EPC Amend Rent for **Options 2, 4 and 5b** for the Year 3 to the end of the term:

1. From the **EPC Detail** page verify the *Energy Performance Retrofit Completion Date*

Year	Adjustment Amount
1	2850
2	5700
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

Figure 17-234. EPC Details page

2. From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	CA390079003	N/A	11/30/2028	N

Figure 17-235. Function/Contract Selection page

3. The following information needs be completed:
 - *Contract (put a check mark in front of the selected Contract)*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
 - *Date Owner Signed Submission*
 - *Date Owner Submission Package Initially Received*
4. Click on **Save**.
5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

The screenshot shows the 'Dates and Comments' page with the following fields and values:

Contract Processing / Function / Contract Selection / Function Detail	
Dates and Comments [Save] [Reset]	
Surviving Contract: CA390079003	Stage: N/A
Function Type: Amend Rents	Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 12/01/2012	ARAMS Status:
Exception Project Exempted from OAHF: [Dropdown]	
Contract/Stage Date Information	
Contract/Stage Renewal Execution Date:	12/01/2008
Contract Effective Date:	240
Length of Contract in Months:	11/30/2028
Contract Expiration Date:	
Amend Rents Dates	
Amend Rents Effective Date:	12/01/2012 [Calendar Icon]
Amend Rents Expiration Date:	11/30/2013 [Calendar Icon]
Energy Performance Contract Indicator:	Yes
Decision Comments: [Text Area]	

Figure 17-236. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
7. Click on **Save** and the *Save Successful* message displays.
8. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	05/21/2008	Owner	09/07/2012	Yes	1	1170
<input type="checkbox"/>						2	1365
<input type="checkbox"/>						3	1661

Figure 17-237. Comparability Study Selection page

9. Enter the following fields on the **Comparability Study Selection** page:
 - Click on “Yes” for the *Comparability Study Required* field
 - Select the “Comparability Study” (from the table)
10. Click on **Save** and the *Save Successful* message displays.
11. Click on the *Budget Selection* tab and the **Budget Selection** page displays:

Figure 17-238. Budget Selection page

12. Enter the following information on the Budget Selection page:
 - Click on “Yes” for the *Renewal Budget Required* field
 - Select the *Renewal Budget Type* (from the drop down)
13. Click on **Save** and the *Renewal Budget table* displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review

Budget Selection Save Reset

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 12/01/2012 ARAMS Status:

Renewal Budget Required? ☒ Yes ☐ No ☐ Unconfirmed

Renewal Budget Type: Standard Renewal Budget

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2012	05/10/2012	5.00	1	1133
				1	1133
				2	1383
				2	1383
				3	1634

Figure 17-239. Budget Selection page

14. Select the *Renewal Budget* you want to apply to this record

15. Click on **Save** and the *Save Successful* message displays

16. Click on the *OCAF* tab and the **OCAF** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review

OCAF Save Reset

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 12/01/2012 ARAMS Status:

Annual Rent Potential for all Section 8 Units Included in the Current Process: 1115136.00

Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process: 1171008.00

Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process): 0.00

Annual Rent Potential Non-Section 8 Units: 0.00

Annual Project Rent Potential: 1115136.00

Expiring Section 8 Portion of Total Rent Potential: 1.00

Annual Project Debt Service: 0.00

Note: Already includes MIP amount

Annual Expiring Section 8 Share of Debt Service: 0.00

Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service: 1115136.00

Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.300%): 1140784.13

OCAF Adjusted Contract Rent Potential: 1140784.13

Lesser of OCAF or Budget-Based Rent Potential: 1140784.13

Rent Increase Factor (Based upon Lesser of OCAF vs. Budgets): 1.023

Figure 17-240. OCAF page

17. Verify or correct the OCAF information.

18. Click on **Save** and the *Save Successful* message displays.

19. Click on the *Rents* tab and the **Rents** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Budget Selection OCAF Rents Final Review

Rents [Save] [Reset]

Surviving Contract: CA390079003 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 12/01/2012 ARAMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent: [OCAF Adjusted]

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	2	1079	1170	1082	1133	1082
1	14	1079	1170	1082	1133	1082
2	2	1317	1365	1321	1383	1321
2	46	1317	1365	1321	1383	1321
3	8	1556	1661	1561	1634	1561
Rent Potentials						
Monthly		92928	97528	93208	97584	93208
Annual		1115136	1170336	1118496	1171008	1118496

Renewal Rent Effective Date: [12/01/2011]

Dispute/Appeal Comments: [Text Area]

Rents Final for Contract Exhibit: ☐ Yes ☒ No

Rents Final for Contract Exhibit Date: [Text Area]

Utility Allowance Changed Comments: [Text Area]

Utility Allowance Changed: No

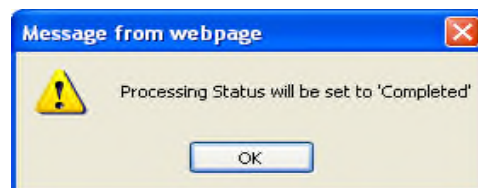
Figure 17-241. Rents page

20. Enter the following fields:

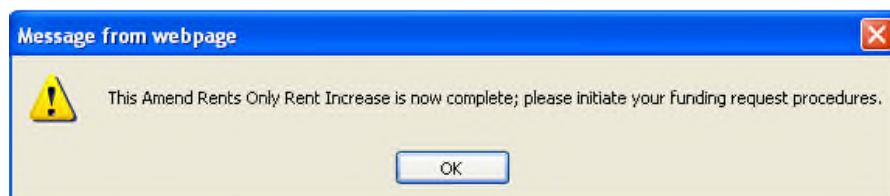
- *HUD Approved Rent (from the drop down)*
- *Renewal Rent Effective Date*

21. Click on **Save** and the *Save Successful* message displays.

22. When ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



23. Click on *OK* and the following message box displays on the **RENT** page.



24. Click on *OK* and the Amend Rents record is complete.

17.10.2.3 Amend Rents for the FINAL year of the EPC term

To enter an EPC Amend Rent for **Options 1a, 1b and 2** for the FINAL Year of the term:

1. From the **EPC Details** page verify the *Energy Performance Retrofit Completion Date*

The screenshot shows the 'Energy Performance Contract Details' page. At the top, there are tabs: 'Assistance Contract List', 'Assistance Contract Status', 'Assistance Contract Detail', 'Current Contract Administrator/ Contact', and 'Contract Administrator History'. The 'Assistance Contract Detail' tab is selected. Below the tabs, the page title is 'Energy Performance Contract Details'. The main content area displays the following information:

Contract Number:	KY360013020
Energy Performance Contract Effective Date:	09/01/2002
Energy Performance Contract Term (Years):	10
Energy Performance Contract Expiration Date:	08/31/2012
Energy Performance Retrofit Completion Date:	03/01/2003
Energy Performance Contract Total Debt Amount:	250000
Energy Performance Contract Annual Debt Amount:	25000
Energy Performance Contract Total Project Savings Amount:	60000
Energy Performance Contract Annual Project Savings Amount:	6000
Energy Performance Contract 47.5% of Annual Project Savings Amount:	2850
Energy Performance Contract Yearly Savings Tracking Indicator:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Figure 17-242. EPC Details page

2. From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

The screenshot shows the 'Function/Contract Selection' page. At the top, there are tabs: 'Contract Processing List', 'Function / Contract Selection', and 'Function Detail'. The 'Function / Contract Selection' tab is selected. Below the tabs, the page title is 'Function/Contract Selection'. There are 'Save', 'Reset', and 'Delete' buttons. The main content area displays the following information:

Select	Contract #	Stage	Expiration Date at Contract/Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	KY360013020	N/A	08/31/2022	N

Below the table, there are several fields and options:

- Combine Contracts and/or Stages: ☐ No
- Surviving Contract: KY360013020
- HUD Policy:
- Fiscal Year:
- Contract Function:
- Contract Action Selection:
- Processing Status (if applicable):
- Date Owner Signed Submission:
- Date Owner Submission Package Initially Received:
- Date Complete Package Received from Owner:
- Is the Owner Debarred or Suspended?: ☐ Yes ☐ No ☒ Unconfirmed
- Does the Owner Have Material Violations?: ☐ Yes ☐ No ☒ Unconfirmed

Figure 17-243. Function/Contract Selection page


3. The following information needs be completed:
 - *Contract (put a check mark in front of the selected Contract)*
 - *HUD Policy*
 - *Fiscal Year*
 - *Contract Function*
 - *Contract Action Selection*
 - *Processing Status*
 - *Date Owner Signed Submission*
 - *Date Owner Submission Package Initially Received*

4. Click on **Save**.
5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

The screenshot displays the 'Dates and Comments' page for a contract. The left sidebar contains navigation links: Portfolio/Dashboard, Assistance Contracts, Contract Processing (highlighted), Comparability Studies, Renewal Budgets, Secure Systems, and Logout. The main content area has tabs for 'List', 'Function / Contract Selection', and 'Function Detail' (selected). Below these are sub-tabs: 'Dates and Comments' (selected), 'Comparability Study Selection', 'Rents', and 'Final Review'. The page title is 'Dates and Comments'. It includes a 'Save' button and a 'Reset' button. The contract details shown are: Surviving Contract: KY360013020, Function Type: Amend Rents, Effective Date: 09/01/2013, Stage: N/A, Action: FY 2013 - 2: Request Renewal Without Restructuring at or Below Comparable Rents, and ARAMS Status. There is a dropdown menu for 'Exception Project Exempted from OAH?' with 'Yes' selected. A link 'Contract/Stage Date Information' is present. Below it, 'Contract/Stage Renewal Execution Date:' is followed by a date field showing '09/01/2002'. 'Length of Contract in Months:' is followed by '240'. 'Contract Expiration Date:' is followed by '08/31/2022'. A link 'Amend Rents Dates' is shown. 'Amend Rents Effective Date:' is followed by a date field showing '09/01/2013'. 'Amend Rents Expiration Date:' is followed by a date field showing '08/31/2014'. 'Energy Performance Contract Indicator:' is followed by 'Yes'. A 'Decision Comments:' field is at the bottom.

Figure 17-244. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*

 *Note: The Dates and Comments page is slightly different for Options 1a and 1b. These options do not have the “Exception Project Exempted from OAH?” or the “Annual Financial Statement Required to be Submitted to HUD?” fields that display on Option 2.*

7. Click on **Save** and the *Save Successful* message displays.
8. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Rents Final Review

Comparability Study Selection Save Reset

Surviving Contract: KY360013020 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
Effective Date: 09/01/2013 ARAMS Status:

Comparability Study Required? ☒ Yes ☐ No ☐ Alternative ☐ Unconfirmed

Type of Alternative to Comparability Study Used: Partially Non-assisted units are used for comparability studies

Comparability Study:

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	04/01/2013	HUD		No	1	475
						2	650
						3	780

Figure 17-245. Comparability Study Selection page

9. Enter the following fields on the **Comparability Study Selection** page:

- Click on “Yes” for the *Comparability Study Required* field
- Select the “Comparability Study” (from the table)

10. Click on **Save** and the *Save Successful* message displays.

11. Click on the *Rents* tab and the **Rents** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Comparability Study Selection Rents Final Review

Rents Save Reset

Surviving Contract: KY360013020 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 2: Request Renewal Without Restructuring at or Below Comparable Rents
Effective Date: 09/01/2013 ARAMS Status:

Add New Rent Record Overlay Rents with Current Rents from TRACS

HUD Approved Rent: Comparable

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	Comparable (HUD 92273) Rent	Renewed Rent
1	24	363	475	475
2	24	466	650	650
3	1	611	780	780
Rent Potentials				
Monthly		20507	27780	27780
Annual		246084	333360	333360

Renewal Rent Effective Date: 09/01/2013

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☒ Yes ☐ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

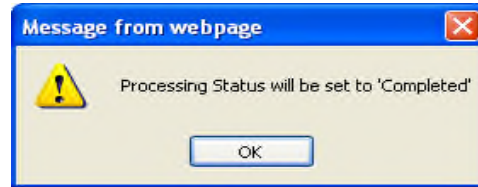
Figure 17-246. Rents page

12. Enter the following fields:

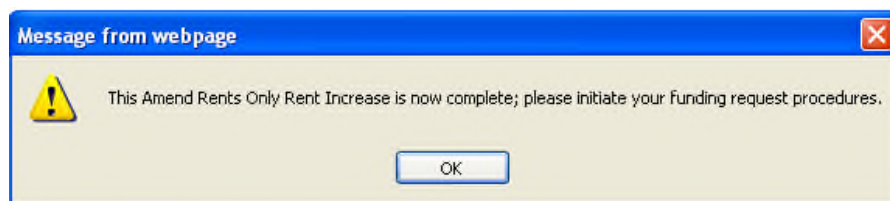
- *HUD Approved Rent* (from the drop down)
- *Renewal Rent Effective Date*

13. Click on **Save** and the *Save Successful* message displays.

14. When ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



15. Click on *OK* and the following message box displays on the **RENT** page.



16. Click on *OK* and the Amend Rents record is complete.

To enter an EPC Amend Rent for **Option 4** for the **FINAL** Year of the term:

1. From the **EPC Detail** page verify the *Energy Performance Retrofit Completion Date*

Assistance Contract List	Assistance Contract Status	Assistance Contract Detail	Current Contract Administrator/ Contact	Contract Administrator History
Energy Performance Contract Details				
Contract Number:			KY360013020	
Energy Performance Contract Effective Date:			09/01/2002	
Energy Performance Contract Term (Years):			10	
Energy Performance Contract Expiration Date:			08/31/2012	
Energy Performance Retrofit Completion Date:			03/01/2003	
Energy Performance Contract Total Debt Amount:			250000	
Energy Performance Contract Annual Debt Amount:			25000	
Energy Performance Contract Total Project Savings Amount:			60000	
Energy Performance Contract Annual Project Savings Amount:			6000	
Energy Performance Contract 47.5% of Annual Project Savings Amount:			2850	
Energy Performance Contract Yearly Savings Tracking Indicator:			<input checked="" type="radio"/> Yes <input type="radio"/> No	
Energy Performance Contract Yearly Savings				
Note: Year 1 is the Annual Project Savings x 47.5%, Year 2 is the Annual Project Savings x 95%, Year 3 is Year 2 Savings x that year's OCAF, Year 4 is Year 3 Savings x that year's OCAF, etc.				
Year	Adjustment Amount			
1		2850		
2		5700		
3		5814		
4		5988		
5		6228		
6		6353		
7		6544		
8		6806		
9		6942		
10		7150		

Figure 17-247. EPC Details page

2. From the **Contract Processing List** page, click on **ADD** and the **Function/Contract Selection**

page displays.

Figure 17-248. Function/Contract Selection page

3. The following information needs be completed:

- *Contract (put a check mark in front of the selected Contract)*
- *HUD Policy*
- *Fiscal Year*
- *Contract Function*
- *Contract Action Selection*
- *Processing Status*
- *Date Owner Signed Submission*
- *Date Owner Submission Package Initially Received*

4. Click on **Save**.

5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Figure 17-249. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:

- *Exception Project Exempted from OAHP (from drop down)*
- *Amend Rent Effective Date*
- *Amend Rent Expiration Date*

7. Click on **Save** and the *Save Successful* message displays.

8. Click on the *Budget Selection* tab and the **Budget Selection** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Budget Selection OCAF Rents Final Review

Budget Selection **Save** **Reset**

Surviving Contract: KY360013020 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHP
Effective Date: 09/01/2013 ARAMS Status:

Renewal Budget Required? ☒ Yes ☐ No ☐ Unconfirmed

Renewal Budget Type: Standard Renewal Budget

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2013	04/17/2013	5.00	1	381
				2	489
				3	642

Figure 17-250. Budget Selection page

9. Enter the following fields on the **Budget Selection** page:

- *Click on “Yes” for the Renewal Budget Required field*
- *Select Renewal Budget Type (from down down)*
- *Select the “Renewal Budget” (from the table)*

10. Click on **Save** and the *Save Successful* message displays.

11. Click on the *OCAF* tab and the **OCAF** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Budget Selection OCAF Rents Final Review

OCAF [Save] [Reset]

Surviving Contract: KY360013020 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 09/01/2013 ARAMS Status:

Annual Rent Potential for all Section 8 Units Included in the Current Process: 246084.00
Annual Budget-Based Rent Potential for Section 8 Units Included in the Current Process: 258264.00
Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process): 0.00
Annual Rent Potential Non-Section 8 Units: 0.00
Annual Project Rent Potential: 246084.00
Expiring Section 8 Portion of Total Rent Potential: 1.00
Annual Project Debt Service: 24466.43
Note: Already includes MIP amount
Annual Expiring Section 8 Share of Debt Service: 24466.43
Escalated Value of EPC Adjustment as of Final year of the EPC Loan: 7150.00
Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service: 214467.57
Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.600%): 220043.73
OCAF Adjusted Contract Rent Potential: 244510.16
Lesser of OCAF or Budget-Based Rent Potential: 244510.16
Rent Increase Factor (Based upon Lesser of OCAF vs. Budgets): 0.994

Figure 17-251. OCAF page

- Verify or correct the OCAF information.

Note: The Escalated Value of EPC Adjustment as of the Final year of the EPC Loan field is displayed on this OCAF page

- Click on **Save** and the *Save Successful* message displays.

- Click on the *Rents* tab and the **Rents** page displays.

Contract Processing List Function / Contract Selection Function Detail

Dates and Comments Budget Selection OCAF Rents Final Review

Rents [Save] [Reset]

Surviving Contract: KY360013020 Stage: N/A
Function Type: Amend Rents Action: FY 2013 - 4: Request Renewal for Projects Exempt from OAHF
Effective Date: 09/01/2013 ARAMS Status:

[Add New Rent Record] [Overlay Rents with Current Rents from TRACS]

HUD Approved Rent: OCAF Adjusted

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Renewed Rent
1	24	363	361	361
2	24	466	463	463
3	1	611	607	607
Rent Potentials				
Monthly		20507	20383	20383
Annual		246084	244596	244596

Renewal Rent Effective Date: 09/01/2013

Dispute/Appeal Comments:

Rents Final for Contract Exhibit: ☒ Yes ☐ No

Rents Final for Contract Exhibit Date:

Utility Allowance Changed Comments:

Utility Allowance Changed: No

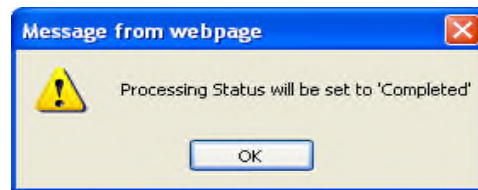
Figure 17-252. Rents page

15. Enter the following fields:

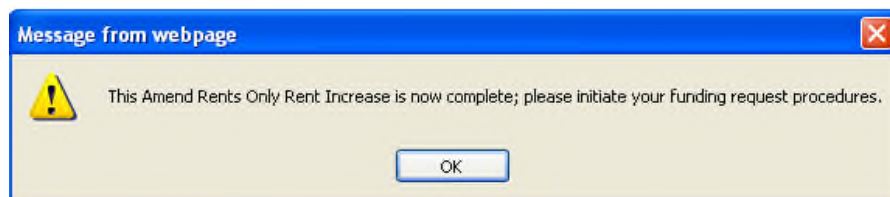
- *HUD Approved Rent (from the drop down)*
- *Renewal Rent Effective Date*

16. Click on **Save** and the *Save Successful* message displays.

17. When ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



18. Click on *OK* and the following message box displays on the **RENT** page.



19. Click on *OK* and the Amend Rents record is complete.

To enter an EPC Amend Rent for *Option 5b* for the FINAL Year of the term:

1. From the **EPC Detail** page verify the *Energy Performance Retrofit Completion Date*

Energy Performance Contract Details

Contract Number: KY360013020
 Energy Performance Contract Effective Date: 09/01/2002
 Energy Performance Contract Term (Years): 10
 Energy Performance Contract Expiration Date: 08/31/2012
 Energy Performance Retrofit Completion Date: 03/01/2003
 Energy Performance Contract Total Debt Amount: 250000
 Energy Performance Contract Annual Debt Amount: 25000
 Energy Performance Contract Total Project Savings Amount: 60000
 Energy Performance Contract Annual Project Savings Amount: 6000
 Energy Performance Contract 47.5% of Annual Project Savings Amount: 2850
 Energy Performance Contract Yearly Savings Tracking Indicator: ☒ Yes ☐ No

Energy Performance Contract Yearly Savings

Note: Year 1 is the Annual Project Savings x 47.5%, Year 2 is the Annual Project Savings x 95%, Year 3 is Year 2 Savings x that year's OCAF, Year 4 is Year 3 Savings x that year's OCAF, etc.

Year	Adjustment Amount
1	2850
2	5700
3	5814
4	5988
5	6228
6	6353
7	6544
8	6806
9	6942
10	7150

Figure 17-253. EPC Details page

- From the **Contract Processing List** page, click on ADD and the **Function/Contract Selection** page displays.

Function/Contract Selection

Contract(s) and/or Stage(s):

Select	Contract #	Stage	Expiration Date at Contract Stage Expiration	Original Contract Effective Date Prior to October 1981?
<input checked="" type="checkbox"/>	KY360013020	N/A	08/31/2022	N

Surviving Contract: KY360013020
 HUD Policy: User Guide
 Fiscal Year: 2013
 Contract Function: MAHRA Amend Rent Increases
 Contract Action Selection: Request Contract Renewal for a Preservation Project
 Processing Status(if applicable):
 Date Owner Signed Submission: 04/17/2013
 Date Owner Submission Package Initially Received: 04/17/2013
 Date Complete Package Received from Owner: 04/17/2013
 Is the Owner Debarred or Suspended? ☐ Yes ☐ No ☒ Unconfirmed
 Does the Owner Have Material Violations? ☐ Yes ☐ No ☒ Unconfirmed

Figure 17-254. Function/Contract Selection page

- The following information needs be completed:
 - Contract (put a check mark in front of the selected Contract)
 - HUD Policy
 - Fiscal Year
 - Contract Function
 - Contract Action Selection
 - Processing Status
 - Date Owner Signed Submission
 - Date Owner Submission Package Initially Received

4. Click on **Save**.
5. Click on the *Function Detail* tab. The **Dates and Comments** page displays.

Dates and Comments [Save] [Reset]

Surviving Contract: KY360013020
Function Type: Amend Rents
Effective Date: 09/01/2013

Stage: N/A
Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project
ARAMS Status:

Contract/Stage Date Information

Plan of Action Date:
Contract/Stage Renewal Execution Date:
Contract Effective Date: 09/01/2002
Length of Contract in Months: 240
Contract Expiration Date: 08/31/2022

Amend Rents Dates

Amend Rents Effective Date: 09/01/2013
Amend Rents Expiration Date: 08/31/2014
Energy Performance Contract Indicator: Yes
Decision Comments:

Figure 17-255. Dates and Comments page

6. Enter the following fields on the **Dates and Comments** page:
 - *Plan of Action Date*
 - *Amend Rent Effective Date*
 - *Amend Rent Expiration Date*
7. Click on **Save** and the *Save Successful* message displays.
8. Click on the *Comparability Study Selection* tab and the **Comparability Study Selection** page displays.

Comparability Study Selection [Save] [Reset]

Surviving Contract: KY360013020
Function Type: Amend Rents
Effective Date: 09/01/2013

Stage: N/A
Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project
ARAMS Status:

AAF Comparability Study Required? ☐ Yes ☒ No ☐ Unconfirmed

Comparability Study:

Select	Fiscal Year	Date Appraiser Signed HUD	Source	Execution Date of First Related Renewal	Auto OCAF Created	Unit Type	Comparable Rent
<input checked="" type="checkbox"/>	2013	04/01/2013	HUD		No	1	475
						2	650
						3	780

Figure 17-256. Comparability Study Selection page

9. Enter the following fields on the **Comparability Study Selection** page:

- *Confirm if an AAF Comparability Study is Required*
- *Select the “Comparability Study” (from the table)*

10. Click on **Save** and the *Save Successful* message displays.

11. Click on the *Budget Selection* tab and the **Budget Selection** page displays.

The screenshot shows the 'Budget Selection' page. At the top, there are tabs for 'Contract Processing List', 'Function / Contract Selection', and 'Function Detail'. Below these are sub-tabs: 'Dates and Comments', 'Comparability Study Selection', 'Budget Selection' (which is active), 'OCAF', 'Rents', and 'Final Review'. The page title is 'Budget Selection' with 'Save' and 'Reset' buttons. Contract details include: Surviving Contract: KY360013020, Function Type: Amend Rents, Effective Date: 09/01/2013, Stage: N/A, Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project, and ARAMS Status. A section for 'Renewal Budget Required?' has radio buttons for 'Yes', 'No', and 'Unconfirmed'. Below this is a 'Renewal Budget:' table with columns: Select, Fiscal Year, Date Approved by HUD, Budget Based Rents % Increased, Unit Type, and Budget Based Rent.

Select	Fiscal Year	Date Approved by HUD	Budget Based Rents % Increased	Unit Type	Budget Based Rent
<input checked="" type="checkbox"/>	2013	04/17/2013	5.00	1	381
				2	489
				3	642

Figure 17-257. Budget Selection page

12. Enter the following fields on the **Budget Selection** page:

- *Click on “Yes” for the Renewal Budget Required field*
- *Select the “Renewal Budget” (from the table)*

13. Click on **Save** and the *Save Successful* message displays.

14. Click on the *OCAF* tab and the **OCAF** page displays.

OCAF

Surviving Contract: KY360013020
Function Type: Amend Rents
Effective Date: 09/01/2013

Stage: N/A
Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project
ARAMS Status:

Annual Rent Potential for all Section 8 Units Included in the Current Process: 246084.00

Annual Comparable (Owner's) Rent Potential for Units Included in the Current Process: 0.00

Annual Rent Potential for all Non-Expiring Section 8 Units (Not Included in the Current Process): 0.00

Annual Rent Potential Non-Section 8 Units: 0.00

Annual Project Rent Potential: 246084.00

Expiring Section 8 Portion of Total Rent Potential: 1.00

Annual Project Debt Service: 24466.43

Note: Already includes MIP amount

Annual Expiring Section 8 Share of Debt Service: 24466.43

Escalated Value of EPC Adjustment as of Final year of the EPC Loan: 7150.00

Annual Expiring Section 8 Rent Potential Less Expiring Section 8 Share of Debt Service: 214467.57

Annual Expiring Section 8 Rent Potential Attributed to Operation Multiplied by the Published OCAF (2.600%): 220043.73

OCAF Adjusted Contract Rent Potential: 244510.16

Lesser of OCAF or Correlated Comparable Rent Potential: 244510.16

Rent Increase Factor (Based upon Lesser of OCAF vs. Comps): 0.994

Figure 17-258. OCAF page

15. Verify or correct the OCAF information.

Note: The Escalated Value of EPC Adjustment as of the Final year of the EPC Loan field is displayed on this OCAF page

16. Click on **Save** and the *Save Successful* message displays.

17. Click on the *Rents* tab and the **Rents** page displays.

Rents

Surviving Contract: KY360013020
Function Type: Amend Rents
Effective Date: 09/01/2013

Stage: N/A
Action: FY 2013 - 5b: Request Contract Renewal for a Preservation Project
ARAMS Status:

Add New Rent Record **Overlay Rents with Current Rents from TRACS**

HUD Approved Rent: Budget Based

Calculated Renewal Rents:

Unit Type	# of Units	Current Contract Rent at Expiration	OCAF Adjusted Rent	Budget-based Rent	Renewed Rent
1	24	363	361	381	381
2	24	466	463	489	489
3	1	611	607	642	642
Rent Potentials					
Monthly		20507	20383	21522	21522
Annual		246084	244596	258264	258264

Renewal Rent Effective Date: 09/01/2013

Utility Allowance Changed Comments:

Utility Allowance Changed: No

Rents Final for Contract Exhibit: Yes No

Rents Final for Contract Exhibit Date:

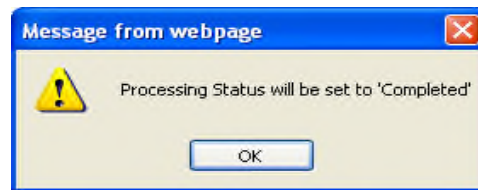
Figure 17-259. Rents page

18. Enter the following fields:

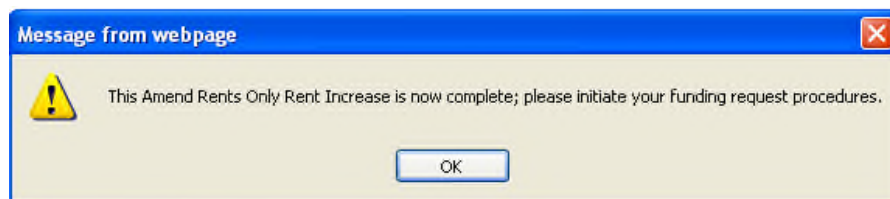
- *HUD Approved Rent (from the drop down)*
- *Renewal Rent Effective Date*

19. Click on **Save** and the *Save Successful* message displays.

20. When ready to **finalize** this record, click “Yes” in the *Rents Final for Contract Exhibit* field. The following message box displays on the **RENT** page.



21. Click on *OK* and the following message box displays on the **RENT** page.



22. Click on *OK* and the Amend Rents record is complete.

17.11 Project Rental Assistance Contracts (PRAC)

Renewals and Rent Adjustments for the PRAC, *Project Rental Assistance Contracts* are entered into iREMS for processing. PRAC contains the new form of rental assistance subsidy for the Section 202 and Section 811 capital advance programs. The term of a PRAC contract is 3 years and the contracts are subsequently renewed every year for a 1 year term. PRACs are HUD-administered. Rent Adjustments are currently only Budget Based and Manual.

IREMS models PRAC renewals as just a renewal with no expiration date extensions. This translates into a “modified extensions” in TRACS/ICON and shall retain the records/entries associated with the

original term of the contract while creating new entries with a new effective date, expiration date and term at the time of every subsequent renewal for the PRAC contract.

The iREMS system does not allow the creation of short term renewals for PRAC contracts. The iREMS system does not allow the merger of stages or contracts while renewing a PRAC contract. A PRAC contract does not allow for an Opt-out at renewal.

Contract Administrators and PBCA do not have access to PRAC records.