

## HUD Releases 2014 Public Housing Management Fee Table

The Financial Management Division (FMD) has released the Calendar Year 2014 80<sup>th</sup> percentile management fees for public housing. **Table 1** represents the 80<sup>th</sup> percentile of management fee paid in HUD's multifamily housing programs based on the most recently filed (2013/2014) Annual Financial Statements (AFS). Nationally, the 80<sup>th</sup> percentile management fee average is \$55.67 per unit month (PUM).

In accordance with PIH Notice 2007-9, PHAs may use the amounts from this table to establish the "reasonable" fee charged to each project. In some field offices, the fee decreased from 2013 schedule. These field offices are identified in Note 2 of Table 1. However, Table 1 has been adjusted to reflect the highest of the 2013 or 2014 fee schedules resulting in an average management fee of \$56.03 PUM.

The amounts in the fee table have already been adjusted for occupancy. In other words, the amounts published represent fees paid for each occupied unit/allowable vacancy.

Small PHAs that elect to implement asset management without a Central Office Cost Center (COCC) are governed by "reasonable" total administrative costs<sup>1</sup>. **Table 2** represents the 80<sup>th</sup> percentile of administrative costs paid in HUD's multifamily housing programs based on the 2013/2014 AFS. In some field offices, the administrative costs dropped from 2013 actual schedule. These field offices are identified in Note 1 of Table 2. However, Table 2 has been adjusted to reflect the higher of the 2013 or 2014 cost schedules.

These fee tables are effective from January 1, 2014.

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<sup>1</sup> Section 9.2, *Changes in Financial Management and Reporting for Public Housing Agencies Under the New Operating Fund Rule (24 CFR Part 990); Supplement to HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook*

**TABLE 1: 2014 Schedule of 80th Percentile of Property Management Fees in FHA Housing by Field Office, for Unlimited Dividend, Limited Dividend and Non-Profit Ownership Types (Effective 1/1/2014)**

Field Office	Property Management Fee (PUM)	Field Office	Property Management Fee (PUM)
Albuquerque <sup>2</sup>	\$49.39	Little Rock	\$51.82
Anchorage	\$67.64	Los Angeles	\$73.44
Atlanta	\$55.32	Louisville	\$53.89
Baltimore	\$58.07	Manchester <sup>2</sup>	\$62.12
Birmingham <sup>2</sup>	\$54.86	Miami	\$56.95
Boston	\$72.10	Milwaukee	\$49.92
Buffalo	\$56.94	Minneapolis	\$57.67
Caribbean	\$52.99	Nashville	\$49.45
Charleston	\$47.47	New Orleans <sup>2</sup>	\$48.29
Chicago <sup>2</sup>	\$66.42	New York <sup>2</sup>	\$65.50
Cincinnati	\$52.58	Newark <sup>2</sup>	\$67.31
Cleveland <sup>2</sup>	\$52.58	Oklahoma City	\$49.96
Columbia <sup>2</sup>	\$54.19	Omaha	\$46.42
Columbus	\$54.05	Philadelphia	\$52.58
Denver <sup>2</sup>	\$58.82	Phoenix <sup>2</sup>	\$51.44
Des Moines	\$47.60	Pittsburgh	\$59.56
Detroit	\$47.41	Portland	\$50.27
Fort Worth	\$50.29	Providence <sup>2</sup>	\$71.45
Grand Rapids	\$47.41	Richmond	\$57.51
Greensboro <sup>2</sup>	\$51.94	Sacramento	\$67.71
Hartford	\$75.08	San Antonio	\$48.03
Honolulu	\$62.51	San Diego	\$67.71
Houston	\$43.16	San Francisco	\$67.71
Indianapolis	\$58.23	Seattle	\$47.96
Jackson	\$56.93	Shreveport <sup>2</sup>	\$43.78
Jacksonville <sup>2</sup>	\$61.63	St. Louis <sup>2</sup>	\$45.64
Kansas City	\$44.69	Tampa <sup>2</sup>	\$56.95
Knoxville	\$44.55	Tulsa <sup>2</sup>	\$45.42
Las Vegas	\$62.02	Washington, DC	\$63.52

**Notes:**

1. The above fees have been adjusted to reflect the average vacancy loss for each market, i.e., the rates shown reflect the fees paid for occupied units.

2. In the field offices where the fee decrease from the 2014 actual non-substitute schedule, the PHA may use the amount from the 2013 schedule. The chart above shows the higher of the two schedules. Using the 2013 schedule, the management fee for these field offices would have been as follows: Albuquerque (\$45.39), Birmingham (\$53.49), Chicago (\$66.17), Cleveland (\$51.94), Columbia (\$54.14), Denver (\$57.73), Jacksonville (\$58.15), Manchester (\$60.86), New York (\$64.23), Newark (\$66.88), Phoenix (\$49.03), Providence (\$70.13), Shreveport (\$38.44), St. Louis (\$45.49) and Tulsa (\$44.87).

3. In previous years distinct basic fees were issued for Cincinnati, Grand Rapids, Sacramento, San Diego, and Tampa field offices.

Given available data, these field offices basic fees are issued using other field offices in the state in accordance with the follow crosswalk: Cincinnati uses Cleveland fees; Grand Rapids uses Detroit fees; Sacramento and San Diego use San

Francisco fees; and Tampa uses Miami fees. PHAs subject to this consolidated fee structure listed in this Note 3 may use field office approved alternative fees by utilizing the guidance in the “Supplement to HUD Handbook 7475.1 REV.CHG-1, Financial Management Handbook,” “7.4, Demonstrating Fee Reasonableness,” “7.6, Property Management Fee Reasonableness,” and 7.9. “Other Fees”, available at [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_9191.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_9191.pdf)

**TABLE 2: 2014 Schedule of 80th Percentile Administrative Costs in FHA Housing by Field Office for Unlimited Dividend, Limited Dividend and Non-Profit Ownership Types (Effective 1/1/2014)**

Field Office	Admin. Fee Range (PUM)	Field Office	Admin. Fee Range (PUM)
Albuquerque	\$157.59	Little Rock	\$157.94
Anchorage <sup>1</sup>	\$228.37	Los Angeles	\$207.42
Atlanta	\$163.72	Louisville	\$158.32
Baltimore	\$191.80	Manchester <sup>1</sup>	\$185.03
Birmingham	\$149.11	Miami	\$168.88
Boston	\$246.03	Milwaukee	\$161.57
Buffalo	\$187.43	Minneapolis <sup>1</sup>	\$161.25
Caribbean	\$175.89	Nashville	\$147.21
Charleston <sup>1</sup>	\$139.75	New Orleans	\$167.08
Chicago	\$240.17	New York	\$228.54
Cincinnati <sup>1</sup>	\$167.43	Newark	\$238.85
Cleveland	\$167.43	Oklahoma City	\$145.77
Columbia	\$163.57	Omaha <sup>1</sup>	\$145.85
Columbus	\$155.63	Philadelphia	\$205.29
Denver	\$171.28	Phoenix <sup>1</sup>	\$174.34
Des Moines	\$126.52	Pittsburgh	\$162.65
Detroit	\$162.98	Portland	\$171.81
Fort Worth	\$154.22	Providence <sup>1</sup>	\$240.77
Grand Rapids <sup>1</sup>	\$162.98	Richmond	\$164.28
Greensboro	\$132.13	Sacramento	\$261.51
Hartford	\$228.97	San Antonio	\$161.58
Honolulu	\$200.34	San Diego	\$261.51
Houston <sup>1</sup>	\$156.39	San Francisco	\$261.51
Indianapolis	\$140.79	Seattle	\$184.53
Jackson	\$156.02	Shreveport	\$175.37
Jacksonville	\$162.29	St. Louis	\$149.71
Kansas City	\$137.65	Tampa	\$168.88
Knoxville	\$115.87	Tulsa <sup>1</sup>	\$137.49
Las Vegas	\$164.83	Washington, DC	\$216.10

**Notes:**

1. In the field offices where the fee dropped from the 2014 schedule, the PHA may use the amount from the 2013 actual non-substitute schedule. The chart above shows the higher of the two schedules. Using the 2014 schedule, the administrative costs for these field offices would have been as follows: Albuquerque (\$144.27) Anchorage (\$181.15), Caribbean (\$175.72), Chicago(\$228.99), Kansas City (\$137.11), New Orleans (\$158.83), Philadelphia (\$203.66), Providence (\$227.98), Richmond (\$160.40) and Shreveport (\$131.23).

2. The amounts included in the above table are based on the 80<sup>th</sup> percentile administrative costs for all non-profit, limited dividend and unlimited dividend FHA properties, by field office, excluding such programs as cooperatives and nursing homes. This information is based on 2012 Annual Financial Statements (the most recent available data) and includes the following line items: 6203-Conventions and Meetings, 6204-Management Consultants, 6210-Advertising and Marketing, 6235-Apartment Resale Expense (Coops), 6250-Other Renting Expenses, 6310-Office Salaries, 6311-Office Expenses, 6312-Office or Model Rent, 6320-Management Fee, 6330-Manager or Superintendent Salaries, 6331-Administrative Rent Free Unit, 6340-Legal Expense-Project, 6351-Bookkeeping Fees/Accounting Services, 6390-Miscellaneous Administrative Expenses, 6711-Payroll Taxes (Administrative Share), and 6723-Health Insurance and Other Employee Benefits (Administrative Share). HUD will review and update this table as needed.

3. In previous years distinct basic fees were issued for Cincinnati, Grand Rapids, Sacramento, San Diego, and Tampa field offices.

Given available data, these field offices basic fees are issued using other field offices in the state in accordance with the following crosswalk: Cincinnati uses Cleveland fees; Grand Rapids uses Detroit fees; Sacramento and San Diego use San Francisco fees; and Tampa uses Miami fees. PHAs subject to this consolidated fee structure listed in this Note 3 may use field office approved alternative fees by utilizing the guidance in the "Supplement to HUD Handbook 7475.1 REV.CHG-1, Financial Management Handbook," "7.4, Demonstrating Fee Reasonableness," "7.6, Property Management Fee Reasonableness," and 7.9. "Other Fees", available at [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_9191.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_9191.pdf)