

Request HUD Approval

Once you have selected a Management Agent, certain Business Agreements you have with HUD such as the Regulatory Agreement or Use Agreements may indicate HUD approval is required. Follow the directions found in the HUD Handbook 4381.5, Chapter 2 for submitting the request to HUD at least 60 days prior to the proposed start date.

Submission includes, but is not limited to:

- ▶ Electronic Previous Participation Clearance through APPS (formerly HUD-2530)
- ▶ Management Certification (HUD-9839 B)
- ▶ Management Entity Profile (HUD-9832)
- ▶ Resume and narrative describing experience and qualifications.

Resources

HUD Publications

Handbook, 4381.5 Rev -1

www.hudclips.org/sub_nonhud/cgi/selectbkc.cgi

LISC Publications:

Occasional Paper Series No.2

Selecting a Management Firm

A Workbook and Sample Forms

Occasional Paper Series No.3

A Guide to the Roles & Responsibilities of an Asset Manager

A Guide to Comprehensive Maintenance Repair Chapter 5

Long Range Planning

Websites

U.S. Department of Housing and Urban Development

www.hud.gov

Local Initiatives Support Corporation

www.lisc.org

Minnesota Housing Finance Agency

www.MHFA.state.mn.us

Minnesota Multifamily Housing Association

www.MMHA.org

ORIENTATION GUIDE

BOARD OF DIRECTORS




This Orientation Guide is one of a series of five
Compiled by the
Minneapolis Office
Multifamily Housing Division
U.S. Department of Housing and Urban Development

CHOOSING A MANAGEMENT AGENT



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Goal

To select a management agent that will manage and maintain your property in a safe, efficient and cost effective manner, perform certain office accounting and record keeping functions, report to you in a clear and concise manner on a regular basis and use good judgment in contacting you when emergencies or unusual situations occur.



Finding Potential Management Agents

Potential Management Agents may be found through word-of-mouth, membership in multifamily housing organizations, or by asking HUD for a list of agents currently doing business with the Department.

It is recommended that you identify at least three companies interested in managing your property.



Evaluating Management Agents

Request written proposals from each Management Agent.

Contact other owners doing business with the agent for references.

Contact resident associations who have worked with the agent regarding tenant issues.

Conduct site visits, if possible.

Rate & Rank Management Agents

- 1) Their experience with subsidized projects, similar sized properties and properties in comparable age/condition. Review samples of their standard reports such as Vacancy Reports, Move-in/Move-out Reports, Maintenance Reports and various accounting reports, such as Budget Variance, Accounts Payable, Cash Flow, etc.
- 2) Their response to project needs as described in the interview and their written proposal. Review management, marketing or maintenance plans, as applicable.
- 3) Their organizational capacity, including staff qualifications and experience. Keep in mind HUD requirements regarding a minimum of two years of experience managing similar resident populations or professional designation in housing management from an accredited national organization. Also consider their ability to take on additional work.
- 4) Their proposed per unit per month fee structure, which must meet HUD guidelines.