

Multifamily Transformation Modification Q+A

1. What changes will there be to the transformation plan?

There will be one change to the transformation plan based on directions Multifamily has received from Congress, which is that Asset Management employees will remain in their existing locations. Everything else about the transformation will take place as planned by Multifamily. All staff not currently part of Asset Management will be consolidated into twelve offices, and HUD will proceed with implementing workload sharing, the *Underwriter Model* in Production, and the *Account Executive Model* in Asset Management.

2. What caused this change to the transformation plan?

This change to Multifamily's transformation plan is the result of directions given to HUD by the appropriators in Congress. Multifamily leadership remains committed to the original plan for the transformation, which will best position Multifamily to pursue its mission for years to come. Accordingly, HUD will continue to work with Congress to pursue full approval of its transformation plan as part of the fiscal year 2015 budget process, including the consolidation of Asset Management operations.

3. Will Multifamily still be moving to a 5-region model in the field?

Yes. Beginning with wave 1, Multifamily will move to a five-region field structure. Each of the five regions will have one hub office and one or two core satellite offices. The future hub and core Satellite locations, by region, will be as follows:

1. Central Region: Fort Worth (Hub Office) and Kansas City (Core Satellite Office)
2. Midwest Region: Chicago (Hub Office), Detroit, and Minneapolis (Core Satellite Offices)
3. Southeast Region: Atlanta (Hub Office) and Jacksonville (Core Satellite Office)
4. Northeast Region: New York (Hub Office), Boston, and Baltimore (Core Satellite Offices)
5. Western Region: San Francisco (Hub Office) and Denver (Core Satellite Office)

Although Asset Management employees will continue to remain in their existing locations, future organizational growth for Multifamily will be limited to the five hub offices and seven core satellite offices. Production and other non-Asset Management employees who are not located in hub or core satellite offices will be relocated to locations expressed on the preference survey. Wave 1 employees will be granted their first preference for relocation.

4. How will these changes affect buyout eligibility?

We expect that all Multifamily employees in consolidating offices who are eligible for a buyout incentive will remain eligible once implementation of the transformation begins.

5. How will you determine if I am an Asset Management employee?

In general, this determination will be made based on an employee's primary job duties. However, a clear set of guidelines on this matter will be forthcoming.

6. Will Asset Management employees who planned to relocate still have the ability to do so?

Yes. Voluntary relocation will be available to Asset Management employees who wish to relocate to one of the hub or core satellite offices. Additional information regarding voluntary relocation will be forthcoming.

7. Will Production employees be able to fill Asset Management vacancies to remain in place?

Based on OPM guidelines, it is not clear whether or not Production employees will be able to fill Asset Management vacancies to remain in place. Multifamily leadership is continuing to explore this possibility and will provide additional information to employees as soon as possible.

8. When will Wave 1 of the Transformation begin?

HUD estimates that wave 1 of the transformation will begin with the opening of the buyout window in four to six weeks. This estimate reflects the time that HUD believes will be required to update the transformation plan based on the changes from Congress and to review the recent changes with the unions. Once this is complete, wave 1 of the transformation will begin.

9. When will the Headquarters realignment begin?

The headquarters wave of the transformation will begin as soon as possible. It is estimated that official implementation will begin at the end of April.

10. Have the unions been notified of this change?

Yes, the unions have been notified, and management will work closely with the unions to ensure that this modification to the plan complies with our existing agreement.

11. How will these changes impact employee titles?

New position titles under the transformation will not be impacted by these changes. All those who were originally intended to receive a new job title will still receive a new job title.