




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

OFFICE OF HOUSING

September 1, 2017

MEMORANDUM FOR: All HUD Multifamily Regional Center Directors
All HUD Multifamily Production Division Directors
Headquarters Multifamily Programs Office Directors
Multifamily Accelerated Processing (MAP) Lenders


FROM: Robert G. Iber, Acting Deputy Assistant Secretary for Multifamily Programs

SUBJECT: FHA Multifamily Mortgage Insurance Application Processing
Response to Hurricane Harvey

As you know, Texas and coastal Louisiana have been hit by Hurricane Harvey, a storm having an unprecedented volume of rain and resulting in extensive flood damage. In response, HUD is mobilizing staff to Texas and Louisiana to help on the ground in assessing conditions at properties assisted and/or insured by HUD programs. This memorandum is to implement special procedures which will impact FHA Multifamily Production for the next several weeks.

- Lenders should continue to submit new applications for mortgage insurance, for sites located in non-impacted areas of the Southwest Region, to the Fort Worth Multifamily Regional Center. New applications will be assigned through work load sharing to other offices around the country.
- Until further notice, HUD will not accept new applications for multifamily mortgage insurance in the counties impacted by Hurricane Harvey and designated as Presidentially Declared Disaster (PDD) areas. A list of such counties is attached. Applications already in processing, at any stage, with sites located in PDD areas will be delayed up to 90 days or until further notice. Applications for which firm commitments have been issued and closing documents have been submitted, are subject to delays in closing until Production staff ascertain the current condition of the project or tract of land; and if applicable, the ability to record documents is restored. We will issue further guidance as soon as possible.
- In other areas of the country Lenders, borrowers, and other affected program participants should anticipate delays in processing of applications for up to two weeks, for the next several weeks, due to managing workload throughout the country. HUD Multifamily Production staff will do their best to continue to meet standard processing time frames during this time.

- The required use of the CNA e Tool will be delayed until November 1, 2017. Production staff in the Southwest Region and construction analysts detailed from other offices will deploy to Texas to assist with property assessment and recovery efforts, during September and early October 2017. While HUD will continue to provide training and to encourage lenders and assessors to use the tool, the delay will provide temporary relief to owners, lenders, and HUD staff. Any firm commitments submitted on or after November 1, 2017, will be required to use the CNA e-Tool (including benchmarking if a “Green” MIP reduction or underwriting savings are to be recognized).

We will attempt to minimize disruption to FHA multifamily business to the extent consistent with our need to ensure the safety of residents in HUD insured or assisted properties and HUD staff during this period of initial response to the storm damage. We will update you with further information in several weeks. Please contact Dan Sullivan at (202) 402-6130 or Tom Bernaciak at (202) 402-3242, if you have questions about this memorandum.

Thank you.

ATTACHMENT

Attachment

Texas Hurricane Harvey (DR-4332)

Incident Period: **August 23, 2017**

Major Disaster Declaration declared on **August 25, 2017**

Designated Counties (Individual Assistance):

Aransas, Bee, Brazoria, Calhoun, Chambers, Colorado, Fayette, Fort Bend, Galveston, Goliad, Hardin, Harris, Jackson, Jasper, Jefferson, Kleberg, Liberty, Matagorda, Montgomery, Newton, Nueces, Orange, Refugio, Sabine, San Jacinto, San Patricio, Victoria, Waller, Wharton

<https://www.fema.gov/disaster/4332>
