“RHS MultiFamily Housing: Building People, Places and Community”
Tony Hernandez, RHS Administrator
Rural Development: Program Levels Rising while Full Time Employees Decrease (excluding Recovery Act)
FY 2014 Budget:
- $1.110 billion
- This will fund 252,350 RA Agreements

FY 2015 Budget:
- $1.0885 billion
- This will fund 243,295 RA Agreements

- Senate: $1.0935 billion
- House: $1.0885 billion
The 2015 Budget requests systematic changes as well as management tools

- Three Systemic changes:
  1. **Establish minimum rent** requirement of $50 per month regardless of tenant income level
  2. Change RA agreements so they are for 12 months and renew on the anniversary date *(House and Senate Appropriations included)*
  3. Ability to verify income via a new hire data base-HHS database
Two Management Tools:

1. Selective Renewal Authority
   - Provide the authority to decide which RA agreements to renew based on specific criteria instead of funding all agreements on an automatic and first-come-first-served basis.
   - Would look at things like need, availability of housing, rurality.

2. Shorter-Term Contracts
   - Would be a useful tool for better, more pro-active program management, especially when funding is provided for less than a full year at a time.
   - Would allow new policies to be implemented quickly (i.e., minimum rents, fixed funding of RA agreements)
Status of **Multi-Family Preservation**:  

- The average age of Section 515 housing is over 25 years old, and RD is committed to maintaining safe and decent affordable housing for its customers.

- Multi-Family Housing is focusing its loan and grant programs on the preservation of its existing Section 515 housing portfolio.

- Preservation also stretching RD’s limited program dollars farther than new construction.
Section 538 Guaranteed Rural Rental Housing Program

- Notice of Funding Availability (NOFA)
- $150 Million
- Extended NOFA response period
- Electronic Pre-Application
MFH COMING ATTRACTIONS.....
Multi-Family Housing releases its newly designed underwriting tool.
MFH HAND-HELD DEVICE

FOR USE IN COMPLETING
MFH SUPERVISORY VISITS
AND PHYSICAL INSPECTIONS

✓ IPad application allows field
staff to electronically record
and report physical condition

✓ Integrated with MFIS business
processes allowing direct
updates to MFIS database.

✓ Auto-notification to Borrowers
More Exciting Ideas Underway….

- Standardize underwriting, enhance quality control reducing processing time
- Provide predictability and certainty
- Performance-based Management Fees
- MFH Task Force
Questions?

THANK YOU!