

INTRODUCTION

The Pennsylvania Housing Finance Agency (PHFA or Agency) is a public corporation created by the General Assembly of Pennsylvania to finance the development of housing for low and moderate-income individuals and families. Through the sale of tax-exempt notes and bonds, PHFA obtains funds to make construction and long-term mortgage loans to single family homebuyers and to qualified developers of multifamily rental housing. These loans, issued at interest rates below conventional financing, are an attempt on the part of PHFA to provide quality, affordable housing at lower rentals in the Commonwealth.

Loans are repaid through revenue generated by the rental income of the developments. Mortgagor deferment of payments or defaults on the loans can jeopardize the placement of future PHFA securities and threaten the ability of the Agency to continue financing housing construction.

PHFA is the contract administrator for the Department of Housing and Urban Development for certain properties in the Section 8 Program. PHFA has many duties and obligations as a contract administrator, i.e., to make housing assistance payments on behalf of eligible persons and to enable them to have decent, safe, and sanitary housing pursuant to Section 8 of the Housing Act, as amended. The full text of Agency responsibilities can be found in the Housing Assistance Payments Contract, the Annual Contributions Contract, and all other closing documents for each respective property.

There are two types of contracts, Non-Performance Based and Performance Based, and this manual addresses the **Non-Performance Based** contract. Under the Non-Performance Based ACCs, the Agency is responsible for monitoring asset management functions and HAP contract compliance monitoring functions. HUD's Non-Performance Based Contract Administrators are responsible for conducting management reviews relating only to HAP contract compliance. PHFA's Technical Services division is responsible for conducting annual physical inspection. Consult Chapter 9 for information on the Physical Conditions Critique.

To assist in making proper management operations, PHFA has issued this manual to establish some of the basic management requirements. This is not a substitute for ongoing training. The U.S. Department of Housing and Urban Development (HUD) Handbook 4350.3 Rev 1 must be used for all occupancy requirements of subsidized multifamily housing programs. Owners must comply with all federal, state, or local fair housing and civil rights laws, e.g., Section 504 of the Rehabilitation Act of 1973, as amended, the Fair Housing Amendments Act of 1988, the Pennsylvania Human Relations Act, as amended, and HUD Equal Opportunity Requirements. In addition to in-house training, management agents must use various other training methods.

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The Agency does not provide notification of changes/revisions and notices to the HUD Handbook 4350.3 Rev 1 to management agents; however, it remains the responsibility of the owner/agent to secure updated copies of documents from the issuing source, i.e., HUD. The HUD Handbook and all updated changes and notices must be available in the rental office for site staff use.

HUD has created the Rental Housing Integrity Improvement Project (RHIIP) Listserve to provide information on notices and changes to the various HUD programs. Management agents and Owner's are responsible for signing up for the Listserve information. The HUD Multifamily website has a link to the RHIIP Listserve website <http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm> and follow the links to sign-up.

Links

PHFA Website
www.phfa.org

HUD Website
www.hud.gov

Rental Housing Integrity Improvement Program
www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm

HUD Handbook 4350.3 REV 1 –
<http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/index.cfm>