



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

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

JUL 5 2006

MEMORANDUM FOR: All Multifamily Hub Directors
All Multifamily Program Center Directors
All Owners and Management Agents of
Multifamily Insured Properties
All Contract Administrators

FROM:  Lanier M. Hylton, Director, Office of Housing Assistance Contract
Administration Oversight, HTC

SUBJECT: Implementation of the Special Claims Processing Guide

The purpose of this memorandum is to announce the Office of Management and Budget's approval and the implementation of the Special Claims Processing Guide. The Guide is available on HUDCLIPS under "What's New" or can be accessed through the HUDCLIPS Library, "Guidebooks." The Guide is effective for all special claims submitted on or after August 1, 2006 and it replaces all previous editions. HUD had received comments on earlier drafts of the Guide from project-based Section 8 owners and management agents, HUD staff and industry representatives. Many of their comments were incorporated into the Guide.

The Special Claims Guide has been developed to assist in the reduction of errors in the administration of HUD's rental housing assistance programs. The Special Claims Guide provides detailed guidance for the processing of Special Claim requests and is intended for use by HUD staff, Contract Administrators and Owners and Management Agents of Section 8 project-based contracts. Many property owners are still unsure of the rules regarding special claims submissions. This Guide expands on the guidance provided in Chapter 9 of HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*.

HUD recognizes the financial risks owners undertake in their efforts to provide affordable housing. It is HUD's intent to ensure that owners involved in this effort remain financially viable partners. The special claims process is one tool that owners can use to be reimbursed for their financial loss. Owners are encouraged to submit special claims for eligible losses.

Questions regarding the Special Claims Guide should be directed to the Special Claims Mailbox at Special Claim Comment Box@hud.gov. This mailbox will serve as a temporary resource for you to send any questions you may have regarding the Special Claims Guide.

Please note: the correct email is special_claims_comment_box@hud.gov