

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of:
Regional Administrators; Transmittal Handbook No: 4350.2 REV-1
Directors of Regional Housing; CHG-1
Category A, B, and C Offices; Issued: 8/20/93
Directors of Housing Management Division; Loan Management
Branch Chiefs; Assisted Housing Management Branch Chiefs;
Owners and Management Agents of Projects covered by this
Handbook.

1. This transmits:

A change to Handbook 4350.2 REV-1, Section 8 Loan Management Set-Aside Program for Projects with HUD-Insured and HUD-Held Mortgages.

2. Explanation of Materials Transmitted:

A. This Change incorporates Housing's response to findings and recommendations by the Office of Inspector General requiring the Field Office Manager and Director of Regional Housing, where appropriate, to certify in writing that, prior to submitting a recommendation to fund a LMSA application to Headquarters, the necessary review and follow-up have been completed.

B. This Change corrects the information contained in Exhibit 2-1.

3. Effective date:

Upon receipt.

4350.2 REV-1 CHG-1

4. Filing Instructions:

Remove

Table of Contents,
Pages i, ii, iii, & iv
dated 6/92
Pages 1-17 through 1-19
dated 6/92
Pages 2-3, 2-4, 2-17, 2-18,
2-21 through 2-26
dated 6/92

Insert

Table of Contents,
Pages i, ii, iii, & iv
dated 8/93
Pages 1-17 through 1-19
dated 8/93
Pages 2-3, 2-4, 2-17,
2-18, 2-21 through
2-26 dated 8/93

Nicolas P. Retsinas
Assistant Secretary for Housing
- Federal Housing Commissioner

W-3-1,W-2(H),W-3(A)(OGC)(ZAS),W-4(H),R-1,R-2,R-3,R-3-1,

R-3-2,R-3-3,R-6,R-6-1,R-6-2,R-7,R-7-1,R-7-2,R-8,Special Distribution

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of:
Regional Administrators Transmittal Handbook No.: 4350.2 REV-1
Regional Housing Commissioners;
Category A, B, and C Offices; Issued: 6/30/92
Directors of Housing Management Division;
Directors of Housing Development Division; Loan Management Branch
Chiefs; Assisted Housing Management Branch Chiefs; Owners and
Management Agents of Projects covered by this Handbook.

1. This Transmits
Revised HUD Handbook 4350.2, Section 8 Loan Management Set
Aside Program for Projects with HUD-Insured and HUD-Held
Mortgages, dated 6/92. This document completely replaces
earlier versions of the handbook.
2. Explanation of Materials Transmitted:

This handbook:
 - A. Incorporates the following notices:
 - HUD Notice 90-13, Restrictions on Lobbying
 - HUD Notice 90-17, Combining LIHTC with HUD
Programs
 - HUD Notice 91-22, Comprehensive Multifamily
Servicing Program
 - HUD Notice 91-60, Instructions for Section 8 Loan
Management Set-Aside Contract Renewals
 - Federal Register Notice "Administrative
Guidelines: Limitations on Combining Other
Government Assistance with HUD Housing
Assistance," April 9, 1991.
 - B. Makes the following substantive changes to the old
handbook:
 1. The handbook now addresses the competitive awards
process for selecting Loan Management Set-Aside
recipients.

2. Administrative responsibilities have been revised now that PHAs no longer participate in program administration.
3. Changes in the procedures for reserving contract authority have also been incorporated.

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4. New procedures and requirements for handling expiring LMSA contracts have been incorporated to address the requirements of Section 262 of the Housing and Community Development Act of 1987, and Section 544 of the Cranston-Gonzales National Affordable Housing Act of 1990.
 5. This version incorporates the new Unit Inspection forms (Form HUD-9602 and 9602A) to be used in assessing the physical condition of units receiving LMSA assistance.

C. Does not include:

Detailed information about subsidy layering. This information will be clarified in HUD Handbook 4350.1, Chapter 17, in the near future. Until then, refer to Notices and other guidance circulated by the Department, including Notice 90-17 and Philip Salamone's memo of April 17, 1991 concerning implementation of Subsidy Layering Guidelines.

3. Effective Date

Effective upon receipt.

4. Filing Instructions

Remove:

Handbook 4350.2, including all
appendices and the table of
contents

Insert:

Revised Handbook 4350.2 REV-1
dtd 6/92

Arthur J. Hill
Assistant Secretary for Housing
- Federal Housing Commissioner

Handbook

4350.2 REV-1

U.S. Department of Housing and Urban Development
Washington, D. C. 20410

Program Participants

and Departmental
Staff

June 1992 Section 8 Loan
 Management Set Aside
 Program for Projects
 with HUD-Insured and
 HUD-Held Mortgages

W-3-1,W-2(H),W-3(A)(OGC)(ZAS),W-4(H),R-1,R-2,R-3,
R-3-1,R-3-2,R-3-3,R-6,R-6-1,R-6-2,R-7,R-7-1,R-7-2,R-8,
Special Distribution to Field Offices and State
Agencies HUD-23 (9-81)