U.S. Department of Housing and Urban Development
Office of Multifamily Housing
Region X Multifamily HUB

December 19, 2013

MEMORANDUM FOR: Management Agents, Owners and Project Managers Subject to HUD Management Fee Limits in Alaska, Idaho, Oregon and Washington

FROM: Renee' D. Greenman, Director, Seattle Multifamily Hub

SUBJECT: Management Fee Policy Effective January 1, 2014

The Seattle Multifamily Office has completed a survey and analysis of allowed Management and Bookkeeping Fees, using the guidance in Management Agent Handbook, 4381.5 REV-2. Based on our review, the fee ranges remain unchanged from our last survey in late 2011. Supporting documents are attached.

MANAGEMENT FEE (S)

Idaho, Oregon and Washington remain at $42 per unit per month (PUPM). The mean average for projects surveyed in these states is $34.87, and the top of the range remains $42.

Alaska remains at $60 per unit per month (PUPM). The mean average for projects surveyed in Alaska is $50.95, and the top of the range and the top of the range was $59. However, due to the unique costs of managing properties in Alaska, the top of the fee range will remain grandfathered at $60 PUPM.

ID, OR & WA	Basic Rate-Per Unit Per Month:	$42 PUPM
AK	Basic Rate-Per Unit Per Month:	$60 PUPM

ADDITIONAL ADD ON FEES

Projects may receive additional add-on fees in one or more of the following categories:

Subsidy mix $3.00
Projects with Section 8 and another HUD or LIHTC subsidy. Projects with HUD subsidies such as Section 236, or 202/811, or Low Income Housing Tax Credits where at least 75% of Total Units ***also*** have Tenant or Project-Based Section 8 Subsidy.

Predominant Special Needs Clientele $5.00
Projects where at least 50% of Total Units have residents who are Physically, Developmentally or Mentally Disabled or are actively serving formerly Homeless households who moved directly from a Homeless situation as defined by HUD (living in the streets, temporary shelters).

Small Project Allowance	
25 or Fewer Total Units in the Project	$4.00
26 to 50 Total Units in the Project	$2.00

Larger Size Units Projects where at least 40% of Total Units have three (3) or more bedrooms	$3.00

Scattered Sites Projects that include two (2) or more separate Sites.	$2.00

Neighborhood Network Properties that have a HUD-Approved Neighborhood Network Business Plan	$1.00

Adverse Neighborhood Conditions Properties that have documented high incidence of crime or vandalism or large concentration of deteriorated substandard housing. These characteristics tend to increase maintenance and repair problems, resident turnover, vacancies and rent collection losses.	$4.00

NOTE: All additional fees must be justified and documented and may not be implemented without written approval from the assigned HUD Project Management staff. Approval will not be unreasonably withheld.

MAXIMUM CAP

Notwithstanding the number of the above add-on fees which may apply, **the Maximum Cap for ID, OR & WA may not exceed $62.00 and for AK may not exceed $80.00** PUPM unless specifically authorized, in writing, by this office.

SPECIAL FEES

In addition to the above, other Special Fees may be allowed for a limited period of time in accordance with HUD Handbook 4381.5, Revision #2, paragraph 3.6.

This fee schedule applies only to the Seattle Multifamily Program Center. If you have any questions, please contact your Project Manager.