



HEALTHCARE MORTGAGEE ADVISORY COUNCIL

Financing Seniors Housing for America

700 Washington St., Suite 501

Vancouver, WA 98660

ORCF and HMAC

Monthly Call Agenda

1:00 pm PDT/4:00 pm EDT

May 20, 2019

Invited ORCF Attendees: Jennifer Buhlman, Rachel Coleman, Susan Gosselin, Tim Gruenes, Wayne Harris, and Philip Head

Invited HMAC Attendees: Ed Foulon and Jenifer Williams

I. Follow-up items from April 15th call

None.

II. ORCF Topics

None.

III. HMAC Topics

a. HUD Portal

- i. There was agreement that there needs to be more transparency inside and outside of HUD regarding portal and its availability. HMAC is willing to help facilitate this. About an hour prior to call hhcp@hud.gov provided update #2, but more still needs to be done.
- ii. If the portal is down, HUD will try to do a work around. ORCF realizes that holding up firm commitments and closings is not ideal, but lenders can work with LeanThinking to do a work around. ORCF said that it is "still kicking out deals" and a lot is still making it through to loan committee, so the full impact on lenders was not realized.
- iii. ORCF is not willing to accept flash drives or disks in lieu of using the portal. The reasoning is that the portal is only temporarily down, even though it was pointed out that it has been on and off line for a few weeks.
- iv. ORCF is still able to do some underwriting in the portal when it is down; however, not able to upload or download information, provide loan numbers, etc.
- v. Application fees can be paid at HUD.gov so that third party reports don't expire if the portal is down. HUD to explore if HUD.gov will be used to keep a deal in place in the queue. This is not the case now.

b. Office of Risk Management reviews

- i. There are 25 deals in different stages of review by ORM.
- ii. Concern that there are new people in ORM that are very green and need training, which is currently being provided by ORCF with its limited resources. HMAC is willing to assist with additional training.



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- c. Opportunity Zones
 - i. There is a draft notice in the concurrence process. Highlights may include priority in the queue and reduction in application fees. More to come on this.
 - ii. There may be some appraisal ramifications such as lower capitalization rates or other benefits that do not show up in appraisal NOI.
- d. Substantial rehabilitation definition
 - i. ORCF not looking to modify the three-year rule because it is a regulation, not handbook requirement.
 - ii. Starting preliminary work on handbook revision. Subject matter experts could investigate the two major subsystems rule. ORCF willing to review any recommendation HMHC may have.
- e. 2019 conference
 - i. 251 people registered with over 60 different member organizations.
 - ii. Went over agenda.
 - iii. ORCF can use HMHC slides for their portion of the presentations.
 - iv. Still trying to get staff approved. No ORM employees unless they are already in Minneapolis.
 - v. HMHC open to hold 2020 conference elsewhere if improve HUD attendance.
- f. Industry Summit
 - i. John Hartung is putting this all together with Nicole John acting as the facilitator.
 - ii. Participants can send questions to LeanThinking or HMHC.

IV. Next Call

1:00 pm PDT/4:00 pm EDT

June 17, 2019