UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL DEVELOPMENT

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Rural Development Texas AN. No. 556 (1951-K)

November 16, 2001

SUBJECT: Multi-Family Housing (MFH) Payment Center
Primary Duties and Responsibilities

TO: All Offices
USDA Rural Development, Texas

PURPOSE/INTENDED OUTCOME:

This Texas Administrative Notice (AN) discusses the duties and responsibilities of the MFH Payment Center, and the servicing responsibilities of the Texas Rural Development Local Offices, in relation to the processing of MFH payments and tenant data.

COMPARISON WITH PREVIOUS AN:

This AN replaces Texas AN No. 532 which expired May 31, 2001.

IMPLEMENTATION RESPONSIBILITIES:

I. Duties and Responsibilities of the Payment Center

The payment center provides additional support to the field by processing all MFH borrower payments and tenant data. The payment center will utilize the information contained in the Multi-Tenant File System (MTFS) and the Automated Multi-Housing Accounting System (AMAS) to accurately process payments and tenant certifications.

The MFH Payment Center will be responsible for the following:

- Answers all questions relating to tenant certifications, changes to tenant status, payments and project worksheets.

  EX: This would cover inquiries on tenant actions and project worksheets, requesting copies of forms and industry interface questions.

EXPIRATION DATE:
October 31, 2002

FILING INSTRUCTIONS: Following FmHA Instruction 1951-K

USDA Rural Development is an Equal Opportunity Lender, Provider and Employer.
Complaints of discrimination should be sent to:
USDA, Director, Office of Civil Rights, Washington, DC 20250

I. Duties and Responsibilities of the Payment Center (Cont'd)

- Advises the local office, within the current month, of a delinquent borrower.

  EX: A borrower fails to submit monthly payment; payment center will call borrower. **If no response within one (1) day, payment center will then call and advise local office.** If borrower or management does not respond or submit payment within the month, account is returned to the local office for servicing.

- Advises the local office of tenant certifications and/or actions that are needed for immediate processing of payment.

  EX: Monthly payment is received and payment center does not have copies of tenant actions (i.e. vacate notices or certifications) needed to correct rent-roll. **Payment center will request copies of tenant actions from borrower and/or management company. If borrower or management does not respond within the same day, local office will be contacted on the next day and requested to help obtain information.**

- Keeps the local office aware of continued problems with the site manager and/or management company that may require additional servicing action.

  EX: Tenant certifications that are not completed properly, management failing to provide required tenant certifications and/or information, etc.

- Advises the local office when information from the borrower and/or management does not agree with information contained within the MTFS system.

  EX: Management requests a rent-free unit for the site manager but one has not been set-up within the MTFS system or different rental rates are shown on the project worksheet. Payment center will request copies of approval documents or refer borrower to local office.

- Payment center will provide a complete set of rent-rolls to each local office on a monthly basis as well as copies of "corrected" rent-rolls.

II. Duties and Responsibilities of the Local Servicing Office

All local offices will continue to be responsible for providing assistance in servicing of MFH borrowers, with the exception of processing payments, miscellaneous collections and tenant

II. Duties and Responsibilities of the Local Servicing Office (Con't)

certifications. The following actions are also to be considered as servicing and will be performed by all local offices:

- Provides answers to borrowers and management companies, regarding all tenant "servicing" type questions.

  EX: Assignment of rental assistance (RA), tenant eligibility, assets, medical deductions, terminations and evictions, etc.

- Keeps the payment center advised of ALL changes relating to management and their contacts (including address and phone number changes), changes due to servicing actions such as transfers, consolidations, and reamortizations, loan closing dates, etc., which would affect the loan payment.

- Reviews monthly rent-rolls for the following servicing issues and contacts borrowers and/or managers in regards to deficiencies noted:

  proper assignment of RA
  RA usage – unused RA
  vacancies
  tenant turnover ratio
  expired tenant certifications
  ineligible tenants

- If deficiencies are noted on the rent-roll as stated above, advise the payment center of ALL corrective actions taken with borrower an/or management company.
  Note: Please do not change MTFS tenant data to coincide with corrective action taken with borrower and/or management company.

- Maintains the project and management information within the MTFS and MFIS systems.

  EX: Posts all rent changes, including notation of manager's rent-free or reduced rent unit, to the MTFS system. (Please note: when posting rent changes, be sure to establish a rent schedule/utility allowance for all unit sizes (i.e. 2N, 2L, 2S, handicap, etc.).

- Reviews all termination and eviction notices to ensure they comply with Agency regulations and immediately forwards a copy to the payment center.

- Corrects borrower and project addresses within the AMAS system on the M5A and M5B screens.

II. Duties and Responsibilities of the Local Servicing Office (Con't)

- Closes all "new construction" or "rehabilitation" Multi-Family Housing loans within the AMAS system, using the M1F Loan Closing Screen.

- Requests loan checks from the AMAS system, using the M1C Check Request Screen.

- Forwards ALL payments received for MFH borrowers, such as credit report fees, cash for selling property, remaining funds from O&M accounts, and/or miscellaneous collections to the payment center for processing.

III. Contact Persons within Payment Center

The following is a list of the individuals currently working within the payment center and their respective duties and responsibilities:

Gayle Ledyard – Community Facilities Multi-Family Housing (CF/MFH) Loan Specialist
Payments, tenant certifications, industry interface/trading partner agreements, electronic funds transfer, rental assistance usage and obligation, servicing issues with borrowers and management companies, delinquent and problem cases, foreclosure and inventory properties.

Susie Turner – Payment Processing Clerk
Payments, tenant certifications, industry interface, trading partner agreements and rental assistance

Lucy Hachtel – Payment Processing Clerk
Payments, tenant certifications and industry interface and trading partner agreements

Brenda Lasley – Payment Processing Clerk
Tenant certifications, filing and mail

Cara Lowe – Payment Processing Clerk
Tenant Certifications, industry interface, filing and mail

Crystal Mandell - Payment Processing Clerk
Tenant certifications, industry interface, filing and mail

If you should have any questions regarding this AN, please contact Gayle Ledyard, CF/MFH Loan Specialist in the State Office.

/s/ Bryan Daniel

BRYAN DANIEL
State Director