

# HUD HEARTLAND NEWS



**US Department of Housing and Urban Development**  
**Sioux Falls, South Dakota Field Office**

## New Leadership at HUD

David Stevens is the new Assistant Secretary for Housing and Federal Housing Administration Commissioner. Prior to his appointment, Stevens served as the president and chief operating officer of the Long & Foster Companies, which includes Long & Foster Real Estate and its affiliated businesses, including mortgage, title, insurance and home service connections. In his new position, Stevens will be responsible for overseeing the \$600 billion FHA insurance portfolio and HUD's multifamily subsidized housing program. In addition, he will oversee HUD's regulatory responsibilities in the areas of the Real Estate Settlement Procedures Act and the manufactured housing industry.



*HUD Secretary Shaun Donovan (right) administers the oath of office to Assistant Secretary for Housing and Federal Housing Administration Commissioner David Stevens.*

Mercedes Marquez is the new Assistant Secretary for Community Planning and Development (CPD). Ms. Marquez brings extensive experience from her previous HUD work, and from other positions she has held as the General Manager of the City of Los Angeles Housing Department and Vice President of McCormack Baron Salazar, Inc. She will lead HUD's CPD Office which administers nearly \$8 billion in programs designed to stimulate community development, affordable housing, as well as a variety of special needs assistance programs.

Dr. Raphael Bostic will serve as the new Assistant Secretary for Policy Development and Research. Dr. Bostic served as a professor in USC's School of Policy, Planning, and Development earning a reputation as an expert on housing and homeownership with extensive study in the roles that credit markets, financing, and policy play in enhancing household access to economic and social amenities.

See what recovery dollars are doing in South Dakota

[RECOVERY.SD.GOV](http://RECOVERY.SD.GOV)

## CALENDAR OF EVENTS:

August 18

[Capacity Building for Nonprofits, Brookings](#)

September 9

[Fundamentals of Fair Housing, Rapid City](#)

September 15

[Rural Housing Conference, Iroquois](#)

September 16-17

[Faith Based and Community Initiative Indian Country Conference, Denver, CO](#)

September 16-18

[SD/ND Realtors Convention, Watertown](#)

September 25

[VA Stand Down, Sioux Falls](#)

October 5

[World Habitat Day](#)

October 27-28

[SDHDA State Housing Conference, Pierre](#)

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## LeRoy Brown New CPD Director



On June 7, 2009, Mr. LeRoy Brown began his tenure as Director of the Office of Community Planning and Development (CPD) in the Denver Regional Office. Mr. Brown served as the Program Manager in the HUD Richmond CPD Office for the past 9 years. His experience prior to that includes Rehabilitation Specialist, Regional Planner and CPD Representative. Mr. Brown brings extensive knowledge and experience in many CPD programs and initiatives. As CPD Director, Mr. Brown has responsibility for management and oversight of CPD programs in the jurisdictions served by the Denver Regional Office.



Phone toll-free (800) CALLFHA or  
(800) 225-5342, M-F, 7am-7pm CT

Email: [answers@hud.gov](mailto:answers@hud.gov)

Search online: [www.fhaoutreach.gov/](http://www.fhaoutreach.gov/)  
FHAFQA



### FHA Updates

#### Mortgage Insurance Premiums:

FHA will not increase the insurance premiums for single family transactions on 10/10/09 even though the one-year moratorium on risk-based premiums expires. The premiums will remain at their current levels.

#### FHA Appraisers:

Congress raised the bar on eligibility requirements for retention and placement on the FHA Appraiser Roster in July 2008. As detailed in [Mortgagee Letter 2008-39](#), all appraisers currently applying for placement on the FHA Appraiser Roster must be either a state certified residential or certified general appraiser. As of October 1, 2009, any appraiser on the FHA Appraiser Roster who has not become state certified will be removed from the Roster in compliance with the Housing and Economic Recovery Act of 2008. This is a statutory requirement that does not provide for grandfathering and cannot be waived by FHA. However, appraisers that subsequently meet certification requirements may apply for reinstatement to the FHA appraiser roster.

## FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### FHA Adopts Home Affordable Modification Program

On May 20, 2009, the President signed the "Helping Families Save Their Homes Act of 2009." This law provided the Federal Housing Administration (FHA) with additional loss mitigation authority to assist FHA mortgagors under the Making Home Affordable Program (MHA).

One key component of MHA provides homeowners the opportunity to reduce their mortgage payments by the use of a loan modification through the Home Affordable Modification Program. When initially introduced to the public, MHA excluded FHA insured mortgages, stating that FHA would develop its own stand alone program. [Mortgagee Letter 2009-23](#) announced a new FHA Loss Mitigation option, the FHA-Home Affordable Modification Program (FHA-HAMP). FHA-HAMP will provide homeowners in default a greater opportunity to reduce their mortgage payments to a sustainable level.

### RESPA Reform Moves Forward

On January 1, 2010, HUD will require lenders and mortgage brokers to implement the new RESPA reforms as previously announced. Consumers will see a new Good Faith Estimate that clearly discloses key loan terms and closing costs. Closing agents will also be required to provide borrowers a new HUD-1 settlement statement that clearly compares consumers' final and estimated costs. HUD estimates its new regulation will save consumers nearly \$700 at the closing table.

### Change in Condo Rules



FHA is implementing a new approval process for Condominium Projects in accordance with Mortgagee Letter 2009-19. FHA will now allow lenders to determine project eligibility, review project documentation, and certify to compliance of HUD's regulations. HUD will continue to maintain a list of Approved Condominium Projects. The requirements of the Mortgagee Letter are effective for all case numbers assigned on or after October 1, 2009, except as noted. FHA has been providing training to lenders on the new requirements through its webinars and other venues. For more information, see the [Mortgagee Letter](#).

### South Dakota Single Family FHA Information

<u>2009 Statistics</u>	<u>April</u>	<u>May</u>	<u>June</u>
Loans Insured	366	312	415
First-Time Homebuyers	116	107	163
Minority Homebuyers	8	3	4
Default Rate	2.45%	2.67%	2.87%
Foreclosure Rate	0.69%	0.61%	0.59%
REO Properties			
Acquired	7	4	4
Sold	6	8	7
Owned	41	37	34

## HOPWA for North and South Dakota and Montana

The recent announcement of more than \$1.4 million through the [Housing Opportunities for Persons with AIDS Program \(HOPWA\)](#) will allow the continuation of the Tri-State HELP Plus program. This unique collaboration with organizations in North Dakota, South Dakota and Montana provides rental assistance, short term mortgage assistance and utility assistance to households living with HIV/AIDS.

Housing assistance and related services funded by HOPWA are a vital part of the comprehensive system of care for those living with HIV/AIDS. A stable home environment is critical for low-income persons managing complex drug therapies, allowing them to access this support and maintain their care in a consistent and effective manner.

Sioux Falls Housing and Redevelopment Commission administers this program for the entire state of South Dakota. Contact them at 605-332-0704 for more information on this program.

## HEARTH Act Becomes Law

On May 20, 2009, President Obama signed the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act into law. The HEARTH Act reauthorizes the McKinney-Vento Homeless Assistance Grant Programs with several significant changes, including:

- A consolidation of HUD's competitive grant programs
- The creation of a Rural Housing Stability Program
- A change in HUD's definition of homelessness and chronic homelessness
- A simplified match requirement
- An increase in prevention resources
- An increase on the emphasis of performance

HUD is now working to develop draft regulations to implement the HEARTH Act within 12 months. Draft regulations should come out for public comment later this year. Final regulations are to go into effect by May 20, 2010. To read the HEARTH Act, [click here](#). Watch for your opportunity to have input on the draft regulations.

## NOFA News

There are a number of notices of funding availability (NOFA) currently active and several notices yet to be announced. For the latest NOFA announcements visit HUD's [Funds Available](#) website.

## Region VIII Faith-Based and Tribal Partnership Conference

HUD's [Northern Plains Office of Native American Programs](#) will hold a faith-based and tribal partnership conference on September 16 and 17 in Denver, Colorado. The event is designed to bring together faith-based and community groups in the Northern Plains region with tribal organizations and government agencies to forge new partnerships and provide a better understanding of reservation needs. In addition to sharing experiences, participants will learn about public and private resources, building and leveraging stronger teams, and working with new partners to get better results and move to the next level of service. Registration is free; however space is limited to the first 150 people registered. To reserve your space, [register on-line here](#).

### Who Should Attend:

- State and Federal Faith-Based and Neighborhood Partnership Offices
- Nonprofit Faith-Based and Community Organizations
- State, Federal, and Private Sector Agencies
- Tribal Organizations
- All other individuals and groups interested in Indian Country



**Save the Date!**  
 Faith-Based and Neighborhood Partnerships  
 Indian Country Conference  
 September 16-17, 2009  
 Denver, Colorado  
 HUD Northern Plains Office of Native American Programs (NPONAP)  
 Registration: <http://thecmitteam.com/events/2009FBCHCC/index.php>  
 Free Exhibitor Space - Interested Exhibitors should contact Marilyn Lambert at 972-939-9500 ext. 34  
 Hyatt Regency Denver Tech Center  
 7800 East Tufts Avenue • Denver, CO 80237  
 303-779-1234 • [techcenter.hyatt.com](http://techcenter.hyatt.com)

**NO REGISTRATION FEE!**  
 \*\*\*\*\*  
 Room Rate  
 Cut-Off Date  
 August 17, 2009  
**REGISTER NOW!**

## Extension of Property Flipping Waiver

The temporary property flipping waiver, under which homes that were foreclosed on and are being sold by the mortgagee or on its behalf may be purchased by FHA borrowers without regard to the 90-day seasoning period, has been extended to May 10, 2010. The waiver does not apply to entities that purchase foreclosures either singly or in bulk for resale. Subsequent sales of such properties will continue to be subject to the standard regulatory requirements. The waiver expires for all loans for which the sales agreements were signed by the seller and buyer on or before May 10, 2010.



## United States Census 2010

The 2010 Census may still be a year away, but that's not much time when you consider the enormity of reaching everyone in the United States and encouraging them to be counted. To attain a complete and accurate count of the population, the federal government needs your help in contacting and informing your colleagues, members and community. Many people are unfamiliar with the census or the fact one will occur in 2010. Census data guide critical decisions that affect this nation from congressional representation to the allocation of federal spending. Every year the federal government will allocate more than \$300 billion to states and communities based in part on census data.



The Census Bureau launched a new website for partners, [2010census.gov/partners](http://2010census.gov/partners), that includes information, resources and materials to communicate important messages about the census and drive participation. Local partners serve as trusted voices within their communities and are critical to the Census Bureau's mandate to count everyone once, only once, and in the right place. Many materials available on the partner website are customizable, allowing partners the flexibility to include additional information and graphics.

### Multifamily Housing What's New

For the most current information from HUD's Multifamily Housing HUB in Denver, go to their [website](#).

### Public Housing News-To-Use

For the most current information from HUD's Office of Public Housing in Denver, go to their [website](#).

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This is a quarterly publication of the South Dakota HUD office. For active internet links, view the newsletter online at [www.hud.gov/southdakota](http://www.hud.gov/southdakota)

Please contact us if you have any news or updates to include in our newsletter.

**Mission of the U.S. Department of Housing and Urban Development:**  
**To increase homeownership, support community development, and increase access to affordable housing free from discrimination.**

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## More Help for SD Homeless Vets



A partnership between HUD and the Department of Veterans Affairs provides help for homeless veterans through the HUD-VA Supportive Housing (HUD-VASH) program. The program provides case management from the local VA facility and housing vouchers from the local housing authority. In the recently announced final round of funding, Rapid City will receive 35 vouchers to assist homeless veterans. The vouchers will be

administered through the Pennington County Housing Authority.



## United We Serve

This summer the President is calling on all Americans to participate in our nation's recovery and renewal by serving in our communities.

"United We Serve" is the national initiative that kicked off June 22 and runs through the new National Day of Service and Remembrance on September 11. All the tools for participating in



this initiative can be found on the [Serve.gov website](http://Serve.gov). This initiative aims to both expand the impact of existing organizations by engaging new volunteers in their work and encourage volunteers to develop their own "do-it-yourself" projects.

Based on an average using 2006 to 2008 data, South Dakota's volunteer statistics are:

- 220,600 volunteers
- 36.4% of residents volunteer - ranking SD **7th** in the nation
- 23.7 million hours of service
- 39.2 hours per resident - ranking them **21st** in the nation
- \$480.4 million of service contributed

## World Habitat Day



**World Habitat Day** is a day to call worldwide attention to the dire need for affordable housing for all. It is celebrated yearly on the first Monday of every October. Watch for upcoming events to commemorate the day.