I. Background – What is RAD for PRAC?

- Overview of Section 202 history, including PRACs
  Statutory authority for RAD expansion to PRAC properties
  The Consolidated Appropriations Act, 2018 (Pub. L. No. 115-141)
- Why expand RAD for PRACs?
- Overview of the PRAC portfolio nationwide
- Overview of PRAC portfolio, specific example: National Church Residences

II. Overview of RAD for PRAC guidance

- Reference RAD Notice, PIH 2012-32, Rev-3. RAD for PRAC guidance will be incorporated in a new section of the next revision: PIH 2012-32, Rev. 4
- Draft guidance was published for comment
- Overview of what you see as some of the key points of guidance, as set forth in draft Notice PIH 2012-32, Rev-4:
  - Rent setting
  - Proceeds of sale / re-financing
  - Non-profit involvement
  - Capital Advance documents
  - New Use Agreement
  - Social Services
- Discuss practitioner perspective on key terms in the guidance

III. Application of RAD for PRAC conversion

- Strategies that can be employed to accomplish RAD for PRAC conversions
• Discussion of project bundling example, with LIHTCs (in accordance with 26 USC Section 42).

• Discuss interplay between expanding LIHTC options and potential limits with FHA financing (US Housing Act of 1937, Section 223(f), 221(d)(4)), which typically requires properties to be a single marketable unit within certain distances.

• Discuss “Rent Bundling” as a potential tool (which can be used in conjunction with or separately from bundling properties together under one loan). How does rent bundling work and how is it different than bundling projects together under one loan?

IV. Discussion on Comments on the Guidance

• What comments has HUD received on the draft guidance?

• What changes do practitioners want to see in the guidance?