Portal + Loan Underwriting System (PLUS)
HUD Offices of Multifamily Housing and Healthcare Programs

Overview for AFGE – August 2024

Purpose of PLUS

1. **Replace the legacy internal DAP system with a modern system** *(Phase 1+)*

   DAP is 25 years old and no longer meets MFH's and OHP's business needs. PLUS will provide MFH and OHP with a customized, end-to-end solution for FHA loan production, including document management, enhanced reporting and data analytics, and interfaces with other HUD systems.

2. **Provide a robust lender portal for FHA customers** *(Phase 2+)*

   PLUS will also be outward-facing, providing FHA lenders with tools to do business with FHA, including a lender portal, digitized applications, dashboards with real-time data, and communication tools.

   PLUS will benefit HUD staff, improve the customer experience, increase transparency, streamline the application and closing processes, and improve FHA's overall performance.

Background and PLUS Project Plan

PLUS will build upon the work completed during the 2019-2020 AUSS Pilot.

A new, 5-year DME/O&M contract awarded in March 2023 (to Koniag Government Services) will help MFH and OHP operationalize the system, starting with the Minimum Viable Product (MVP)/Phase 1 (currently targeted for release in Fall 2024), and will provide O&M for the system.

Post-MVP, MFH will transition its current lender portal functionalities from the existing module in *FHA Catalyst* to a new and improved lender portal in PLUS, and the DAP system will eventually be decommissioned.

PLUS Phases & Release Targets

Planned PLUS phases, and current release targets (subject to change):

1. **Minimum Viable Product (MVP) (DAP Replacement) – October 2024**

2+ Post-MVP functionalities will be prioritized and completed in subsequent releases (quarterly or other) – plans include but are not limited to:

- Additional Internal Features and Enhancements
- External-Facing Lender Portal
- Document Management Capabilities and Records System Interface
- Production Dashboards and Enhanced Reporting Capabilities
- Additional System Interfaces

PLUS Phase 1 Benefits for HUD Staff

PLUS Phase 1 (MVP) will provide the following benefits to HUD:

- Secure, modern, cloud-based (and faster) system to replace DAP and its existing functionalities (improved), *plus*:

  - Application dashboards with application statuses and timeframes
    - Staff will see assigned applications, managers will see all Regional applications
    - Dashboard buckets by application phases (Intake/Screening, Underwriting, Closing, and Construction (and later, FHA #s and Repairs))
  - More status options and better application milestone tracking
    - Application receipt, intake/screening, queue (if needed again), assignment, review suspension, Loan Committee review, etc.

PLUS Phase 1 Benefits for HUD Staff (cont'd)

- Improved assignment functionalities, including Technical Specialists (including Closing Coordinator), Workload-Sharing, and Contractor
- Application decision/MPG target tracking, auto-target dates
- New data fields to capture more project and HUD information
  - Project info: LIHTC (new vs existing, 4% vs 9%, Pilot & Track), Opportunity Zone, RAD, GRRP, Repair Costs & Heavy 223(f), Recently-Completed 223(f), County
  - HUD info: Technical Specialists (including Closing Coordinator), Loan Committee Type, Construction Data, Workload-Sharing, Contractor Support Services
- Removal of obsolete DAP functionalities/data fields, fixes for various DAP omissions/issues, and 202/811 data field updates/simplifications

PLUS Phase 1 Benefits for HUD Staff (cont'd)

- Clearer user roles, simplified user admin, and improved lender admin
- Updated Multifamily structure (by Region, Originating vs Processing), office terminology, and improved distinctions between MFH and OHP
- Expanded FHA Project # series, auto-selected geographic codes
- Built-in MIP tables, auto-populated MIP rates
- Improved construction monitoring (completion progress/variances)
- Updated HUD-290 forms (insurance and capital advance)
- Simplified status/data edit tool and change audit log
- Data extract capabilities via Power BI

PLUS Phase 1 Anticipated Users

PLUS Phase 1 (MVP) anticipated initial user groups:

- All MFH Production staff
- A few other MFH staff (front office, Counterparty Oversight Branch, PSMO, Information Specialists, Recap M2M)
- OHP Production staff – ORCF and OHF users identified by OHP
- Read-only users from other program offices as-needed (ORM, FACD, MFIOB, others who need access)

Note: OGC Closing Attorneys could begin using PLUS in Phase 2, pending additional work (doc, mgmt., lender portal) and coordination with OGC.

PLUS Post-MVP Planned Functionalities

Planned benefits/functionalities (for HUD and Lenders) of later phases of PLUS may include but are not limited to (sequencing is TBD):

Integrated, custom lender portal and various lender functionalities/benefits:

- Lender application dashboards with real-time statuses and timeframes
- Document submission portal for all phases (concept meeting, application, closing, construction, repairs), and in-app FHA # requests; eventually, APIs for data entry
- Built-in application and closing checklists, individual exhibits, and business rules
- Third-party user capabilities (e.g., lender counsel), lender user self-administration
- In-app communication tools, automatic notifications
- Lender reporting capabilities

PLUS Post-MVP Planned Functionalities (cont'd)

<u>Various functionalities/benefits for HUD:</u>

- Document management capabilities (organized project files), ability to share documents with lenders, and records system (GCR) interface

- Production dashboards with filterable production data and MPG metrics

- Enhanced reporting capabilities

- Interfaces with other HUD systems (CNA e-Tool, HEROS, APPS, FHASL, Pay.gov)

- Digital applications (not PDF HUD forms), more robust project data and analysis

- Auto-populated firm commitments and other documents, in-app digital signatures

- Project geo-coding and mapping

PLUS Post-MVP Planned Functionalities (cont'd)

- Workflow functionalities for various business processes – TBD, could include:
  - Concept Meeting submissions, and possibly a scheduler
  - Intake/screening review tools (if any)
  - Underwriting and technical review tools (if any), and technical review targets
  - Lender waiver requests, review/decision functionality, and repository
  - Loan Committee review functionality, and possibly a scheduler
  - Closing review tools (if any), and possibly a scheduler
  - Construction administration functionalities
  - Repair escrow administration functionalities
  - Lender Metrics and other lender analyses