

Dear NAHMA Members,

Below, please find two updates from HUD regarding the CNA e-Tool and best practices for guest suites in Multifamily Housing.

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### **CNA e-Tool: The latest edition announces the Launch of Release 2.4; New Flags Added; and Updated Usage Statistics**

#### 1. System Temporarily Unavailable During Upgrade Installation

The CNA e-Tool will be unavailable from 8 p.m. EDT Friday, December 14, through midnight Sunday, December 16 while Release 2.4 is being installed. The upgrade will be operational as of Monday, December 17, 2018.

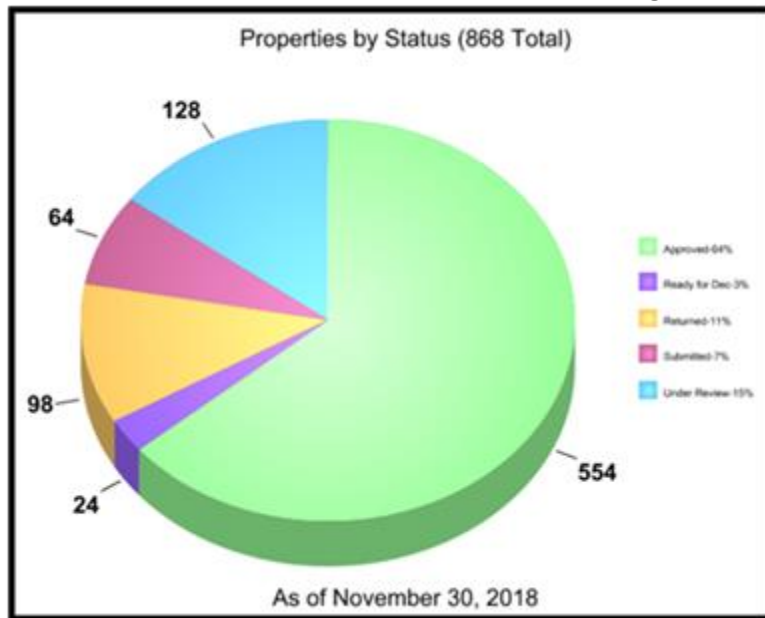
#### 2. New Flags Added

As part of the upgrade, two new automatic flags have been added to enforce the minimum reserve for replacement (RfR) balance rules. These flags will reduce the chance of returned submissions due to incorrect reserve for replacement funding plans.

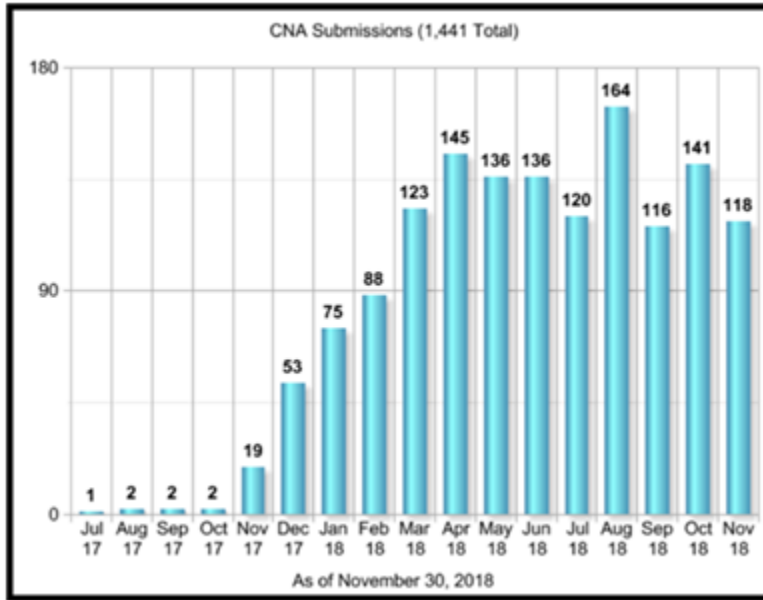
#### 3. Updated CNA e-Tool Usage Statistics

868 FHA applications have been submitted using the CNA e-Tool as of November 30, 2018.

- 554 applications have been approved
- 128 are currently under active review
- 24 are ready for decision
- 98 have been returned for revision
- 64 have been submitted and still need to be assigned



Submission by month statistics as of November 30, 2018:



Please direct questions to [the AAQ form](#). For user access issues, please email [CNAaccess@hud.gov](mailto:CNAaccess@hud.gov). This bulletin and subsequent updates can be found [here](#).

### **Guest Suites in Multifamily Housing under the National Housing Act**

Recently, HUD released Housing Notice 2018-10 to provide best practice guidance to determine under what circumstances guest suites are permissible in multifamily rental, or cooperative projects with mortgages insured or held by HUD under the National Housing Act. In certain circumstances, multifamily Borrowers may set aside a unit or otherwise create a limited number of guest suites as an amenity for residents. The guest suites are typically available for reservation by residents as overnight accommodations for their relatives and guests.

HUD recognizes that inclusion of guest suites as an amenity may contribute to the marketability of certain multifamily projects. However, guest suites are only permissible to the extent their use is consistent with the National Housing Act's prohibition against use of FHA-insured multifamily projects for transient or hotel purposes. To view the attached best practice guidance online, please click [here](#).

Thanks,  
Juliana

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**NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.***