On September 22, 2014 HUD issued a memorandum clarifying previous guidance on the review and approval of multifamily property owners’ Affirmative Fair Housing Marketing Plans (AFHMPs). This memorandum provides clarification regarding the review and approval of a multifamily property owner’s AFHMP and supersedes the May 15, 2014, memorandum on this topic.

HUD’s Office of Fair Housing and Equal Opportunity (FHEO) is required to review initial AFHMPs for multifamily properties and any existing AFHMPs that have been updated based on the owner’s internal review and determination that the plan required modification.

This memorandum provides greater detail regarding the circumstances under which owners must submit updates to existing AFHMPs to FHEO for its review and approval. The new guidance also specifies that an AFHMP is required for properties new to multifamily assistance, including properties transitioning to the Project-Based Rental Assistance program through the Rental Assistance Demonstration Program. Additionally, the guidance stipulates that owners adopting a new residency preference in their admission policies must submit a modified AFHMP to FHEO for approval.

For clarification, FHEO is required to review initial AFHMPs and existing AFHMPs that have been updated as a result of an owner’s internal review and determination that the plan requires modification (submitted by owners). An initial AFHMP is required for new properties and for properties new to multifamily assistance, such as properties transitioning to Project-based Rental Assistance (PBRA) program through the Rental Assistance Demonstration (RAD) program. In addition, owners adopting a residency preference in their admissions policies must also submit a modified AFHMP for review and approval.
An owner should review an existing AFHMP when:

- At least five (5) years have elapsed since the last review;
- The local jurisdiction's Consolidated Plan has been updated;
- Significant demographic changes have occurred in the housing market area;
- The owner has conducted an analysis which determines that the population least likely to apply for housing is not identified in the current AFHMP or the advertising, publicity or outreach are no longer appropriate and require modification or expansion;
- The owner adopts a residency preference for admission of persons who reside in a specified geographic area ("residency preference area"). An owner's residency preference must be approved by HUD as described in 24 CFR 5.655(c)(iii) subparts A and C. Residency preferences should only be approved when they further the goals of affirmative marketing or;
- The owner adopts an admissions preference for admission of persons who reside in a specified geographic area that hasn't previously been approved, and then an update to the AFHMP must be approved.

Please click here for the full HUD memorandum.