



Rental Assistance Demonstration (RAD) Update

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RAD Public Housing Conversions – Status*

88,039 Public Housing Units

converted from Public Housing to Section 8.

\$5.09 Billion

(roughly \$58K per unit)

in construction investment** in RAD Component 1 properties. It would have taken participating PHAs 46 years to accumulate enough public housing Capital Funds to complete a similar amount of construction.

17,491 Public Housing Units

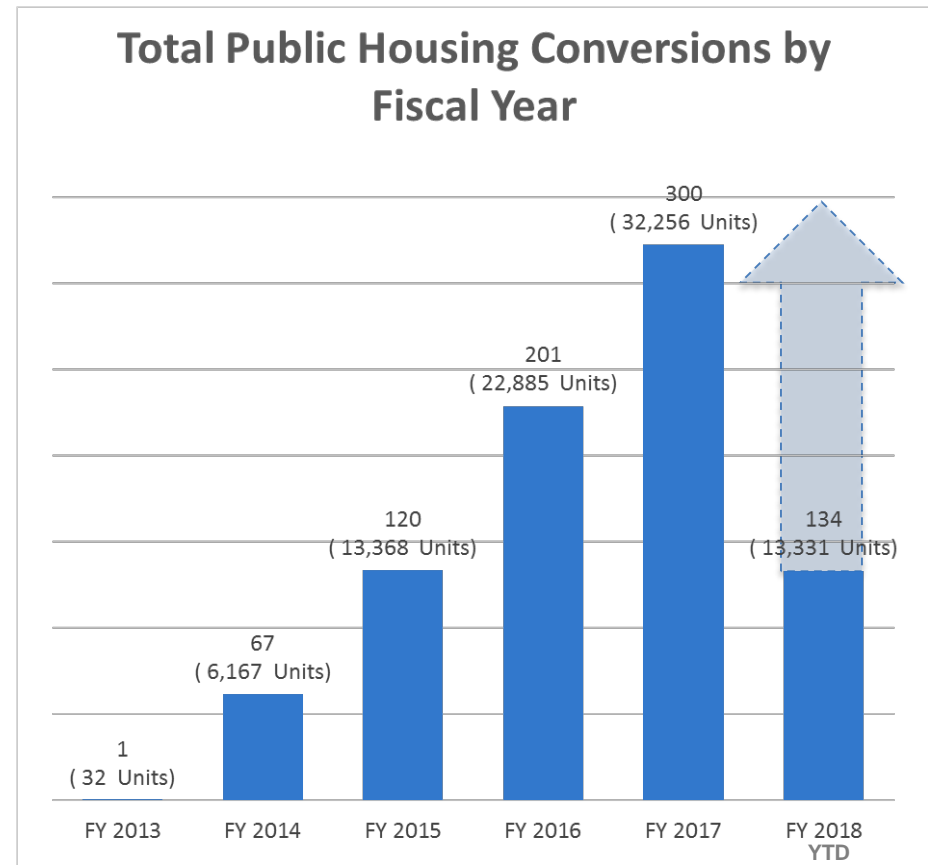
in the final stages of the RAD Component 1 conversion pipeline – with RCCs issued or with Financing Plans submitted

85,741 Public Housing Units

on the RAD Component 1 waiting list

* Data through January 10, 2018.

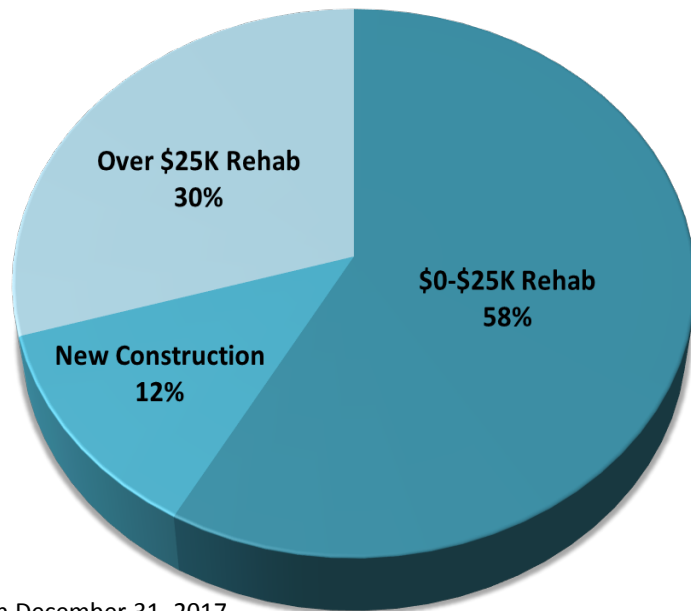
** This figure doesn't include items such as acquisition, soft costs, reserves & developer fee.



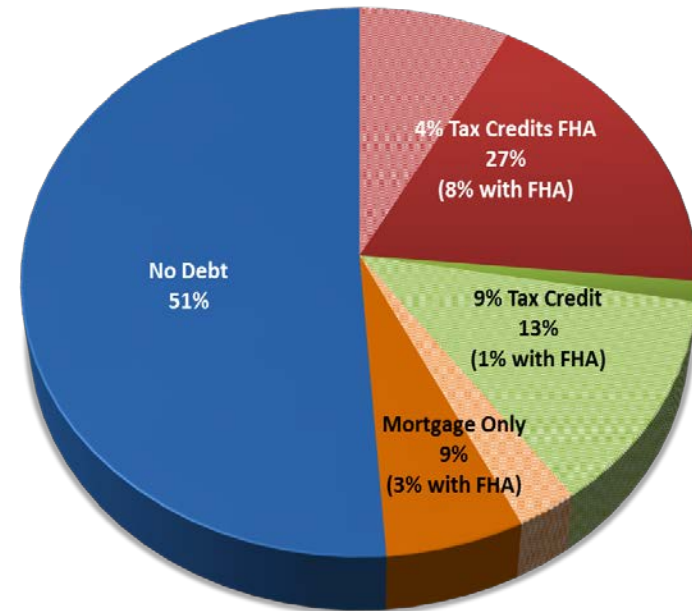
PH Conversions – Financing*

- 42% of transactions involve significant work – from \$25K to new construction
- 40% of transactions involve either 4% LIHTC or 9% LIHTC
- A major driver of the deeper-investment transactions, particularly those using 4% LIHTC, is accessing the value of the existing real estate (most significantly, by tapping into acquisition credits).

RAD Transactions by Investment Type



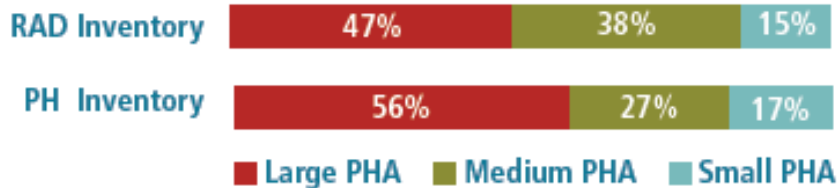
RAD Closed Transactions by Financing Type



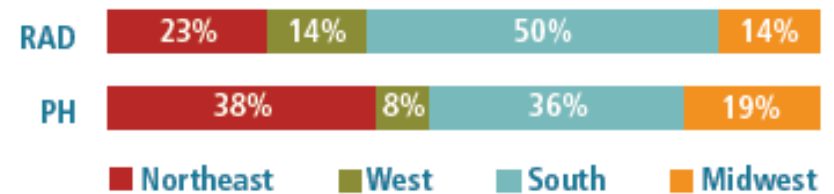
* Data through December 31, 2017.

PH Conversions – Where it works

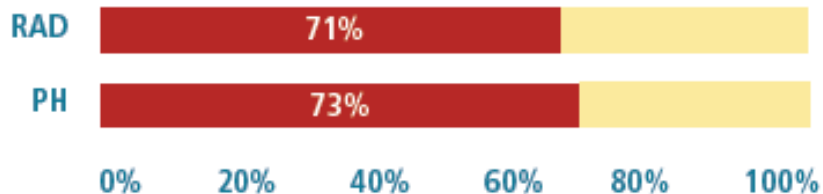
Inventory Comparison by PHA Size



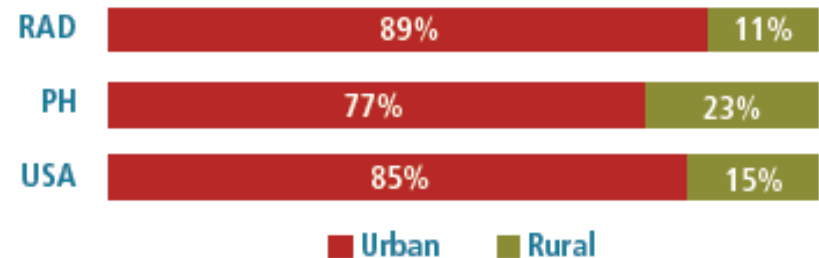
Inventory Comparison by Geography



Inventory Comparison of Published RAD Rents Relative to Fair Market Rent



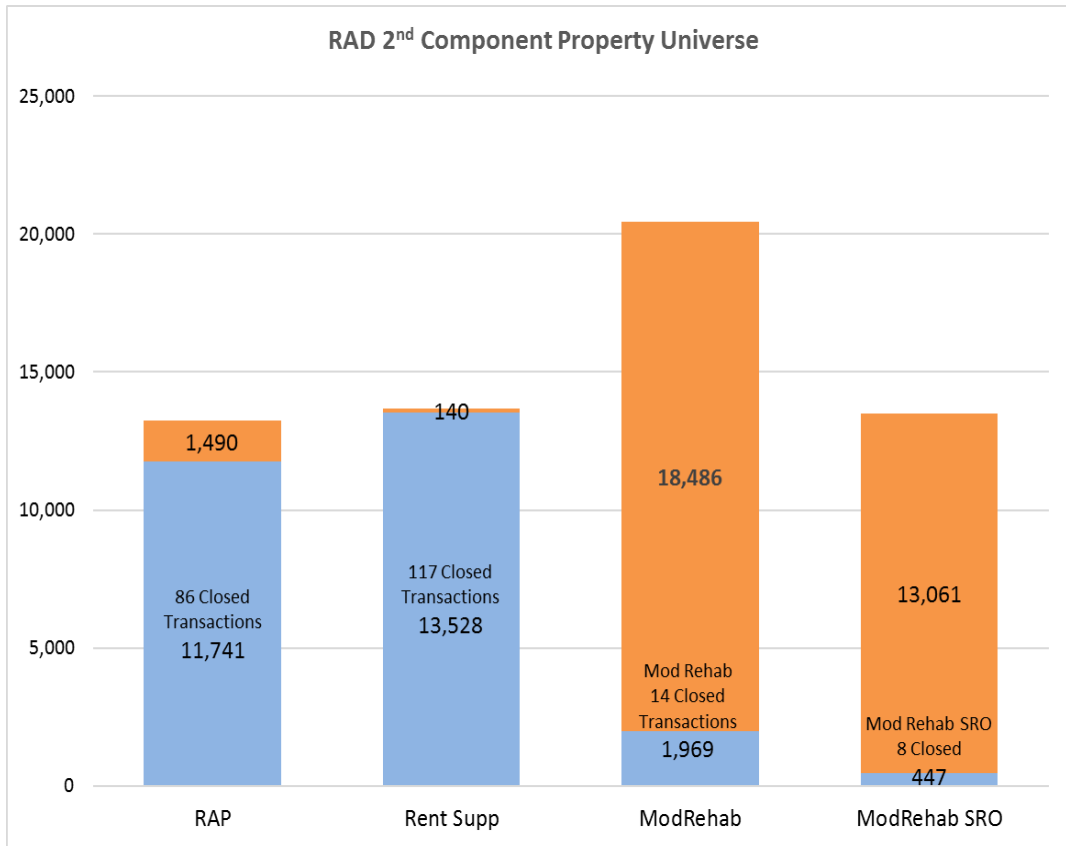
Inventory Comparison by Urban/Rural



Note: This data reflects the inventory of RAD public housing applications (“projects”) received compared to the inventory of public housing projects existing in each region prior to any RAD conversions.

Legacy Program Conversions – Status

Conversions & Outstanding Pipeline



Rent Supp/RAP Transactions:

- 25 properties remaining in portfolio
- 12 properties have contracts that expire in 2018
- We hope to wind down the Rent Supp & RAP programs in the next few years

Mod Rehab Transactions:

- 19 active transactions in the RAD 2 Pipeline
- Substantial opportunities for Mod Rehab properties

NOTE: Data derived from RAD 2 closed transactions only through December 31, 2017.

Thank You.

For more information and case studies visit

www.hud.gov/rad