

HUD Releases 2019 Public Housing Management Fee Table

The Financial Management Division (FMD) has released the Calendar Year 2019 80th percentile management fees for public housing. **Table 1** represents the 80th percentile of management fee paid in HUD's multifamily housing programs based on the most recently filed 2017 Annual Financial Statements (AFS). Nationally, the 80th percentile management fee is \$61.56 per unit month (PUM).

In accordance with PIH Notice 2007-9, PHAs may use the amounts from this table to establish the "reasonable" fee charged to each project. In some field offices, the fee decreased from 2018 schedule. These field offices are identified in Note 2 of Table 1. However, Table 1 has been adjusted to reflect the higher of the 2018-2019 generated fees.

As a reminder, the amounts in the fee table have already been adjusted for occupancy. In other words, the amounts published represent fees paid for each occupied unit/allowable vacancy. Small PHAs that elect to implement asset management without a Central Office Cost Center (COCC) are governed by "reasonable" total administrative costs¹. **Table 2** represents the 80th percentile of administrative costs paid in HUD's multifamily housing programs based on the 2017 AFS. In some field offices, the administrative costs dropped from 2019 actual schedule. These field offices are identified in Note 1 of Table 2. However, Table 2 has been adjusted to reflect the higher of the 2018 or 2019 cost schedules.

These fee tables are effective from January 1, 2019.

¹ Section 9.2, *Changes in Financial Management and Reporting for Public Housing Agencies Under the New Operating Fund Rule (24 CFR Part 990); Supplement to HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook*

**Financial Management Division
Office of Public and Indian Housing**

TABLE 1: 2019 Schedule of 80th Percentile of Property Management Fees in FHA Housing by Field Office, for Unlimited Dividend, Limited Dividend, and Non-Profit Ownership Types (Effective 1/1/2019)¹			
Field Office	Mgmt. Fee Range	Field Office	Mgmt. Fee Range
	(PUM)		(PUM)
Albuquerque	\$51.45	Little Rock	\$56.95
Anchorage	\$71.09	Los Angeles	\$85.51
Atlanta ²	\$57.68	Louisville	\$61.45
Baltimore	\$61.37	Manchester ²	\$71.39
Birmingham	\$55.00	Miami	\$67.64
Boston	\$86.12	Milwaukee	\$54.11
Buffalo	\$61.49	Minneapolis	\$65.13
Caribbean	\$61.19	Nashville	\$56.71
Charleston	\$51.84	New Orleans	\$55.56
Chicago	\$74.35	New York	\$79.32
Cincinnati ²	\$54.97	Newark ²	\$74.31
Cleveland	\$55.25	Oklahoma City	\$54.87
Columbia	\$56.79	Omaha	\$49.43
Columbus	\$56.82	Philadelphia	\$55.88
Denver ²	\$58.82	Phoenix	\$56.69
Des Moines	\$52.22	Pittsburgh	\$65.67
Detroit	\$51.29	Portland	\$58.86
Fort Worth ²	\$50.29	Providence	\$76.55
Grand Rapids	\$53.75	Richmond	\$68.98
Greensboro	\$59.07	Sacramento ²	\$70.52
Hartford	\$84.86	San Antonio	\$55.18
Honolulu ²	\$69.02	San Diego ²	\$75.81
Houston	\$50.30	San Francisco	\$76.02
Indianapolis	\$63.11	Seattle	\$57.86
Jackson	\$63.94	Shreveport ²	\$55.33
Jacksonville ²	\$61.63	St. Louis	\$49.02
Kansas City	\$49.49	Tampa	\$65.34
Knoxville ²	\$50.37	Tulsa	\$48.59
Las Vegas	\$64.61	Washington, DC ²	\$63.52

Notes:

1. The above fees have been adjusted to reflect the average vacancy loss for each market, i.e., the rates shown reflect the fees paid for occupied units.
2. In the field offices where the fee decreased from the 2019 actual non-substitute schedule, the PHA may use the amount from the 2018 schedule. The chart above shows the higher of the 2018 schedule and the 2019 generated fee. Using the 2019 non-substitute schedule, the management fee for these field offices would have been as follows: Atlanta (\$57.52), Cincinnati (\$51.45), Denver (\$56.78), Fort Worth (\$49.70), Honolulu (\$67.40), Jacksonville (\$57.77), Knoxville (\$50.11), Manchester (\$61.91), Newark (74.16), Sacramento (\$65.09), San Diego (\$74.67), Shreveport (\$54.20), Washington, DC (\$62.21).

Table of Fees Under Asset Management

Category	Property Management Fee (excluding Bookkeeping Fee)				Bookkeeping Fee	Asset Management Fee	Capital Fund Management Fee	Administrative Fee For Mixed Finance Development	Housing Choice Voucher Program Management Fee.	Fee for Service for Central Maintenance and Certain Administrative Functions	Other Public Housing Grants
	COCC-Managed	Privately-Managed	Units Undergoing Demolition	Units Undergoing Disposition							
1. Allowable Amounts	Fee based on one of the following methods: (1) fee schedule established for each HUD Multifamily Field Office; (2) 80th percentile of property management fees paid by all profit-motivated, limited-dividend, and non-profit FHA properties, by HUD Multifamily Field Office (Attachment A to Supplement to PIH Notice 2007-9); or (3) other local compelling market data.	Same conditions as COCC-Managed apply, except: COCC can retain difference between a reasonable property management fee and actual cost of the property management fee paid by the project.	COCC may earn fee for 3 years, as follows: (1) 75% of the normal management fee in Year 1; 50% of the normal management fee in Year 2; and 25% of the normal management fee in Year 3.	COCC may earn fee for 2 years, as follows: 75% of the normal management fee in Year 1 and 50% of the normal management fee in Year 2.	Up to \$7.50 PUM	Up to \$10.00 PUM, subject to applicable Excess Cash restrictions (3 yr phase in, per below)	Up to 10% of Annual Capital Fund Grant, applicable for FFY 2007 Grants and beyond.	Up to 3% of total project development costs (6% with HUD approval).	The higher of: (1) 20% of the PHA's annual administrative fee or (2) up to \$12.00 monthly per voucher leased. Additionally, the PHA may earn \$7.50 monthly per voucher leased as a bookkeeping fee. For "ports", PHA earns the combined management and bookkeeping fee, as described above, but not to exceed 20% of total administrative fee for the unit.	All centrally provided maintenance must be performed as fee-for-service, i.e., based on market prices and services actually received. PHA must document reasonableness of rate charged. A PHA may also charge fee-for-service for centrally provided front-line administrative functions where market pricing exists (e.g., centrally provided eviction services). In all cases, centrally provided services must be in the best interests of the project.	If no fee rate established, COCC can charge not more than 15% of grant amount as management fee.
2. Qualified Units	Occupied and HUD-approved vacancies. Fee not earned on "limited vacancies."	Occupied and HUD-approved vacancies. Fee not earned on "limited vacancies."	ACC Units.	ACC Units.	Occupied and HUD-approved vacancies. Fee not earned on "limited vacancies."	ACC Units (including mixed finance ACC units), regardless of occupancy status. Not eligible for fee for any vacant unit following HUD approval of demo/dispo plan.	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
3. Fee Timing	For new units, fee begins the month the unit is first occupied.	For new units, fee begins the month the unit is first occupied.	Fee structure begins first month the project earns an Asset Respositioning Fee.	Fee structure begins first month the project earns an Asset Respositioning Fee.	For new units, fee begins the month the unit is first occupied.	For new units, fee begins the month the unit is first occupied.	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
4. Excess Cash	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.	For first year of implementation, no excess cash requirement. For second year, current assets must exceed current liabilities to earn asset management fee. For third year, current assets must exceed current liabilities by one month of operating expenses to earn an asset management fee. Fee may not be accrued by COCC if insufficient excess cash.	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.