



OFFICE OF HOUSING

To: RAD for Public Housing CHAP Awardees & RAD for PRAC Applicants

**From: Thomas R. Davis
Director, Office of Recapitalization**

Date: May 23, 2023

Subject: Timelines for Year-End Closings – RAD Public Housing and PRAC Conversions in 2023

In the spring of each year, the Office of Recapitalization establishes timelines for year-end closings of RAD transactions. This memo specifies the timelines for Calendar Year 2023 for conversions under the RAD for Public Housing and RAD for PRAC components.

We provide these timelines and establish deadlines due to the high demand to close RAD transactions during October, November, and December, particularly among tax credit transactions. Additionally, we want to make our workload management strategies as transparent and predictable as possible to assist Owners and their development partners with their planning.

While we seek to accommodate all RAD conversions on the Owner’s preferred schedule, closing priority at the end of CY2023 depends on meeting the RAD Conversion Commitment (RCC) (for RAD for Public Housing conversions) or RAD Conditional Approval letter (for RAD for PRAC conversions) issuance date deadlines and on the timely submission of draft closing documents. Please see the table below for additional detail. Note that adherence to these dates does not guarantee that HUD will be able to accommodate your closing in a particular month. Additionally, please note that HUD reserves the right to modify these deadlines in response to changing conditions.

We strongly encourage Owners and their development partners to close as early in the calendar year as possible.

If closing by a specific date is important to the success of your transaction, we strongly recommend that you submit ahead of the applicable deadlines, build sufficient time into your schedule to meet all timeline requirements, and allow for unexpected delays.

Required Action	NOVEMBER Deadlines to close by November 30, 2023	DECEMBER Deadlines to close by December 31, 2023
Upload all required Financing Plan (Public Housing) or Conversion Plan (PRAC) documents*	July 1	August 1
Receive a HUD-executed RCC (Public Housing) or Conditional Approval Letter (PRAC)	August 31	September 29
Submit complete closing package	September 15	October 13
All RAD documents approved and ready for HUD signatures	November 14	December 12

* Note: FHA applications should be submitted at roughly the same time as the Financing Plan or Conversion Plan documents. Owners should coordinate with their FHA lender to stay on track. Remember that FHA and RAD processing have different milestones and timelines.

When transaction volume exceeds our processing capacity, HUD will prioritize our work based on several factors, including:

- Adherence to the deadlines set forth in this memo.
- Critical deadlines beyond the control of the Owner and its development team. HUD will require documentation of these deadlines when considering this factor.
- Lower priority will be given to transactions when RCCs (Public Housing) or Conditional Approval letters (PRACs) have been extended past their original 90-day term from HUD issuance and when an RCC or Conditional Approval letter expired and a new RCC or Conditional Approval letter was subsequently issued.

If you have any questions and you have an RCC or Conditional Approval letter, please contact your Closing Coordinator. If you do not yet have an RCC or Conditional Approval letter for your transaction, please contact your Transaction Manager.