

Welcome to HUD's Virtual Classroom

- Please mute your phone line at this time. You will find a microphone icon near the right edge of your screen, next to your name. Click on this, it will turn red, and your phone will be muted.
- If your PC has a microphone, please make sure it is turned off.
- Once we get through the initial presentation, the presenter will ask you to un-mute your phones (click on the red microphone icon, it will turn black, and your line will be un-muted), and then we can talk to each other in the 'virtual classroom'.
- In the meantime, if you have a question for the presenter, please enter it in the Chat box on the right side of your screen. If you don't see a Chat box, click the blue Chat icon at the top right of your screen, and the Chat box will open.



HUD's CNA e-Tool Virtual Classroom: Using Narrative to Best Effect

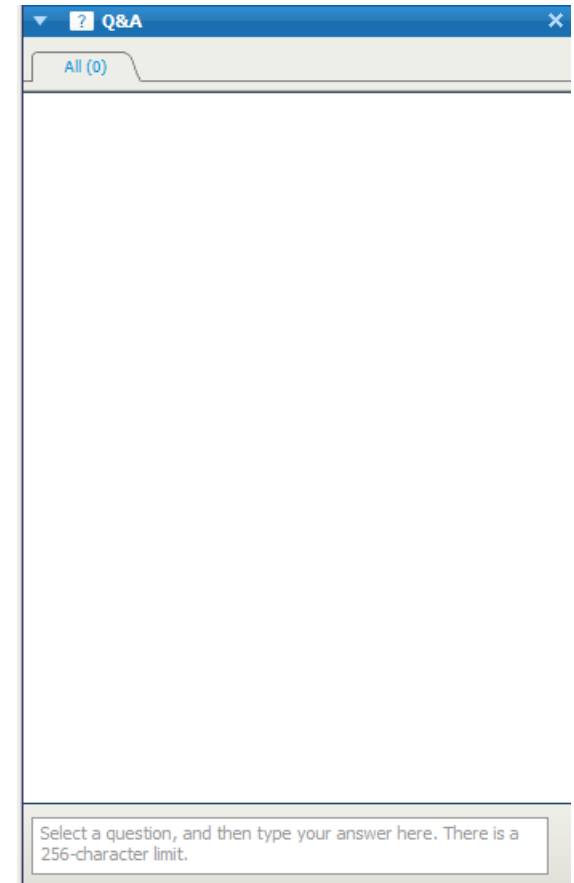
Office of Multifamily
Housing Programs

Today's Webinar Will Have Two Sections

- Recorded Portion
 - Participants self-mute
 - Use Chat and Q&A boxes to interact with presenter
 - Lessons learned
 - Initial Questions
- Virtual Classroom
 - Recording turned off
 - Participants and presenter interact voice to voice
 - Participants can share screens

Webinar Logistics: Recorded Portion

- Participants please mute your phone lines
- Ask questions via the WebEx Q&A box
- If technical issues related to WebEx, insert them in the Chat Box



Webinar Learning Objectives

- Learn how to use the Narrative and Comment fields to help your HUD reviewer quickly review and accept your CNA e-Tool
- Understand where to access available resources and tools
- Discuss problem areas with the presenter and other participants

Agenda

Recorded Section

Narrative and Comment – lessons
learned

Initial Q&A

Recording Turned Off

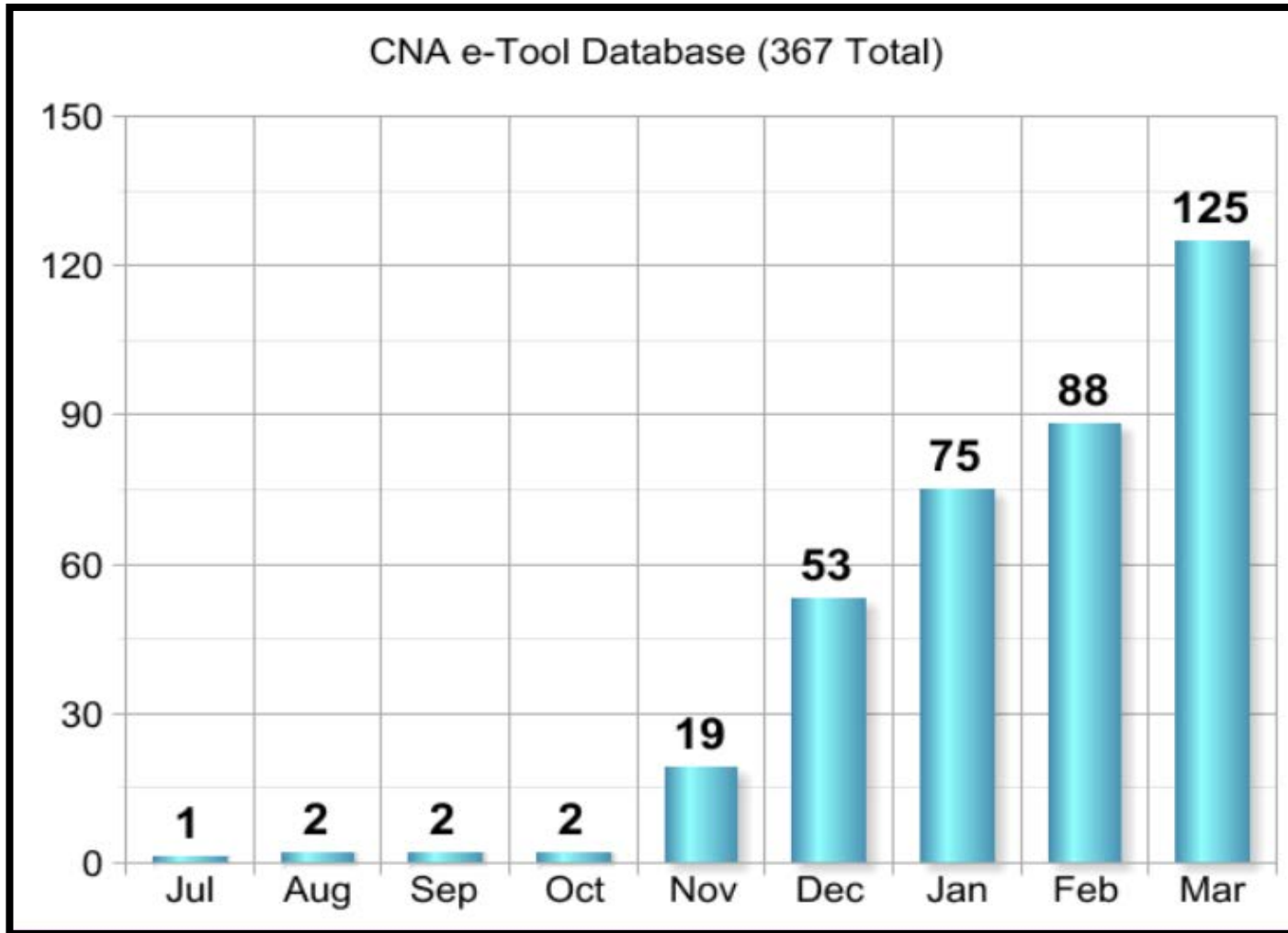
Virtual Classroom



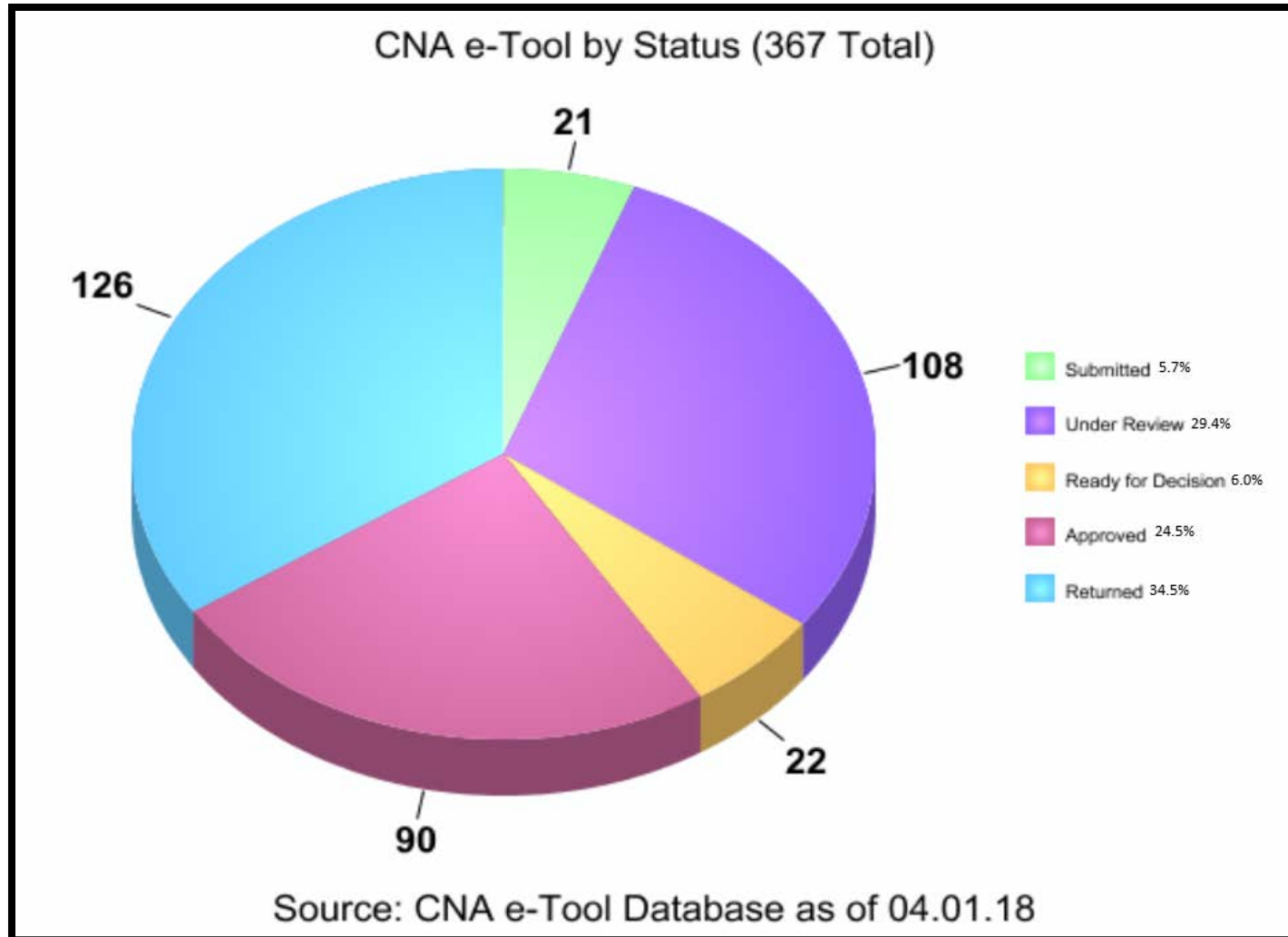
The CNA E-Tool

Current Highlights

Volume:



CONSIDER:



HUD CNA e-Tool Webpage

https://www.hud.gov/program_offices/housing/mfh/cna



The screenshot shows the top navigation bar of the HUD website. On the left is the HUD logo and the text 'HUD.GOV'. In the center, it reads 'U.S. Department of Housing and Urban Development' and 'Secretary Ben Carson'. On the right are social media icons for search, email, RSS, YouTube, Facebook, and Twitter, with the text 'Información en Español' below them. Below the header is a navigation menu with the following items: HOUSING HOME, ABOUT US, SINGLE FAMILY, HEALTHCARE PROGRAMS, MULTIFAMILY, MORE, and HUD HOME.

[Home](#) / [Program Offices](#) / [Housing](#) / [Multifamily](#) / Capital Needs Assessment Tool

Capital Needs Assessment Tool (CNA e Tool)

The Capital Needs Assessment (CNA) e-Tool automates and standardizes the preparation, submission and review of a capital needs assessment. Its use is now available on a voluntary basis and will become mandatory starting November 1, 2017 for FHA multifamily mortgage insurance applications.

Use of the CNA e-Tool for all Rental Assistance Demonstration conversions; 10-year update capital needs assessments for FHA-insured multifamily properties; and other asset management milestones, such as partial payment of claims, are available on a voluntary basis and will become mandatory starting February 1, 2018.

User: Needs Assessor

- ▶ [Assessment Tool 1.2A v5 \(Web Portal\)](#)
 - ▶ [CNA Public Validation \(Web Portal\)](#)
- ▶ [Instructions for use of the CNA e-Tool \(PDF\)](#)

User: FHA Lender Submitter

User: HUD Reviewer

- ▶ [CNA HUD Review \(Web Portal\)](#)
- ▶ [Government Internal User Manual \(PDF\)](#)
- ▶ [HUD User Access Guide \(PDF\)](#)
- ▶ [RfR Financial Factors Tool v2.0 \(XLSX\)](#)

CNA e-Tool: Recent Updates (on HUD CNA e-Tool webpage)

- Assessor Tool v1.2A v6 (March 2018)
- CNA e-Tool Release 2.2 Changes document
- 2018 Operational Bulletins
- CNA e-Tool Known Issues and Solutions (February 2018)
- RfR Financial Factors Tool 2.0
- Using CNA e-Tool for RAD Transactions



Lessons Learned

Regarding Narratives and Comments

Helpful Narrative

- Use the Narrative worksheet in the Assessment Tool
 - Identify key issues, answer “what is to be done?”
 - Identify effect of Level 2 or Level 3 Alterations that may require drawings, Project Architect and/or General Contractor
 - Explain unique or atypical circumstances, especially when response departs from MAP Guidance.
- Avoid boilerplate, make it easier for your reviewer to find what she’s looking for
 - Boilerplate that is necessary for ASTM compliance can be put into an Attachment

Entering Narrative In The Assessment Tool

Each dwelling unit is heated and cooled electrically with utilities provided by JEA. Water and sewer are also provided by JEA. Each unit and the clubhouse common areas are heated and cooled with central air and heat

Capital Needs Assessment

- Participants
- Property
- Sites
- Unit Type Definition
- Buildings
- 3.4 Mechanical & Electrical Systems**
- 3.5 Elevators
- 3.6 Life & Fire Safety
- 3.7 Interior Elements - Common

Narrative - ASTM Outline Topics

- 1.0 Executive Summary
- 2.0 Purpose & Scope
- 3.1 Overall General Description
- 3.2 Site
- 3.3 Structural Frame - Building Envelope
- 3.4 Mechanical & Electrical Systems**
- 3.5 Elevators
- 3.6 Life & Fire Safety
- 3.7 Interior Elements - Common
- 4.0 Additional Considerations
- 5.0 Document Review & Interviews
- 6.0 Opinions of Probable Costs
- 7.1 Accessibility
- 7.2 Intrusive & Other Examinations
- 7.3 Owner Proposed Improvements
- 8.0 Assessor Qualifications

Commentary

Each dwelling unit is heated and cooled electrically with utilities provided by JEA. Water and sewer are also provided by JEA. Each unit and the clubhouse common areas are heated and cooled with central air and heat with split systems, exterior pad mounted condensers and interior air handlers in utility closets. Excepting ducts no original HVAC equipment remains in place but replacements have been builder grade with newer equipment (since 2006) rated 13 SEER while some units in Phase 1 replaced prior to 2006 have SEER 10 units. Only Bldgs R, S and T have equipment that is R410A compliant. In 2020 the existing R-22 refrigerant will be unavailable. An upgrade of all units to 16 SEER will reduce kWh for HVAC by 25%. Replacement equipment will require new condenser pads and modifications to exterior locations and landscaping/screening because of larger size. All duct work is located in interior, conditioned space and is uninsulated sheetmetal. Electric water heaters are also located in the utility closets. Electric panels are 100 amps and located in a hallway wall section forming the end wall of the utility closet. Water heater volume and recovery are a source of service complaints by tenants. Original heaters were 30 gal but replacements have been 50. Hi eff 50 gal replacements are recommended. Low flow plumbing fixtures are recommended thru out. Water/sewer costs are landlord paid.

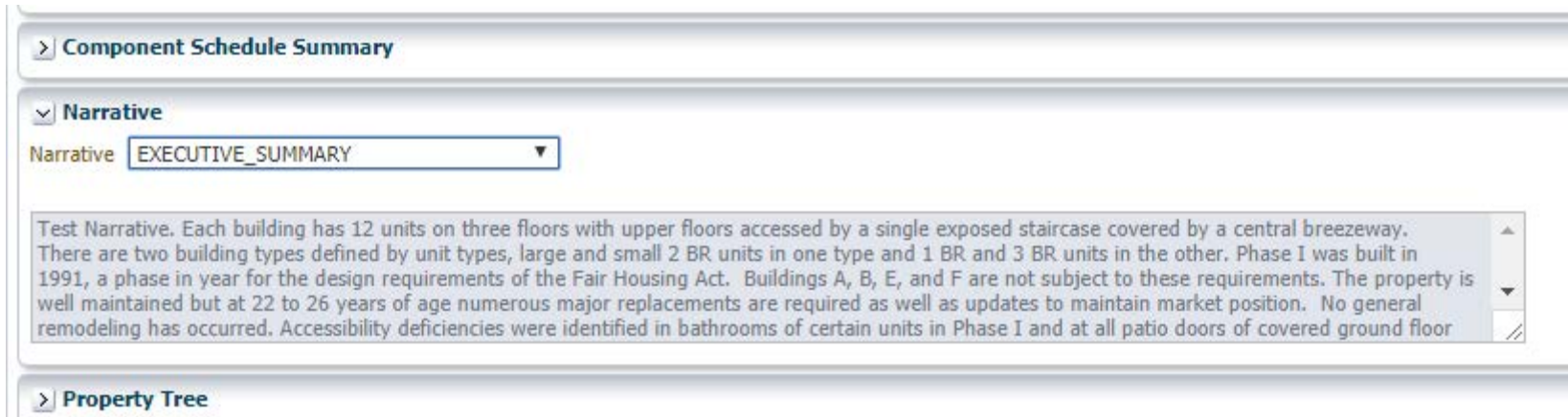
Update

How the Narrative Appears

In traditional report form here:



And here in the Narrative Panel:



Helpful Narrative

- Put necessary, but complex, lengthy or dense explanations in precisely titled attachments
- Make maximum use of the comment fields elsewhere in the Assessment Tool
 - Examples appear on the next few slides

Examples of Comment Fields: The Components Form

Enter/Modify Component Detail

Component ID

Notes

Unit Cost Unit of Measure Quantity

Type of Utility Usage / Year

Year Installed Current Age

Standard Estimated Useful Life Standard Remaining Useful Life Percent Standard Remaining Useful Life

Assessed Remaining Useful Life Percent Recommended Remaining Useful Life

Remaining Useful Life Comments

TCO per Year Location

Example of Comment Fields: The Alternatives Form

Manage Alternatives

Existing Alternatives

Component ID & Alternative Pairs

Delete Create Pair

Alternative Name Sustainable Alternative Indicator

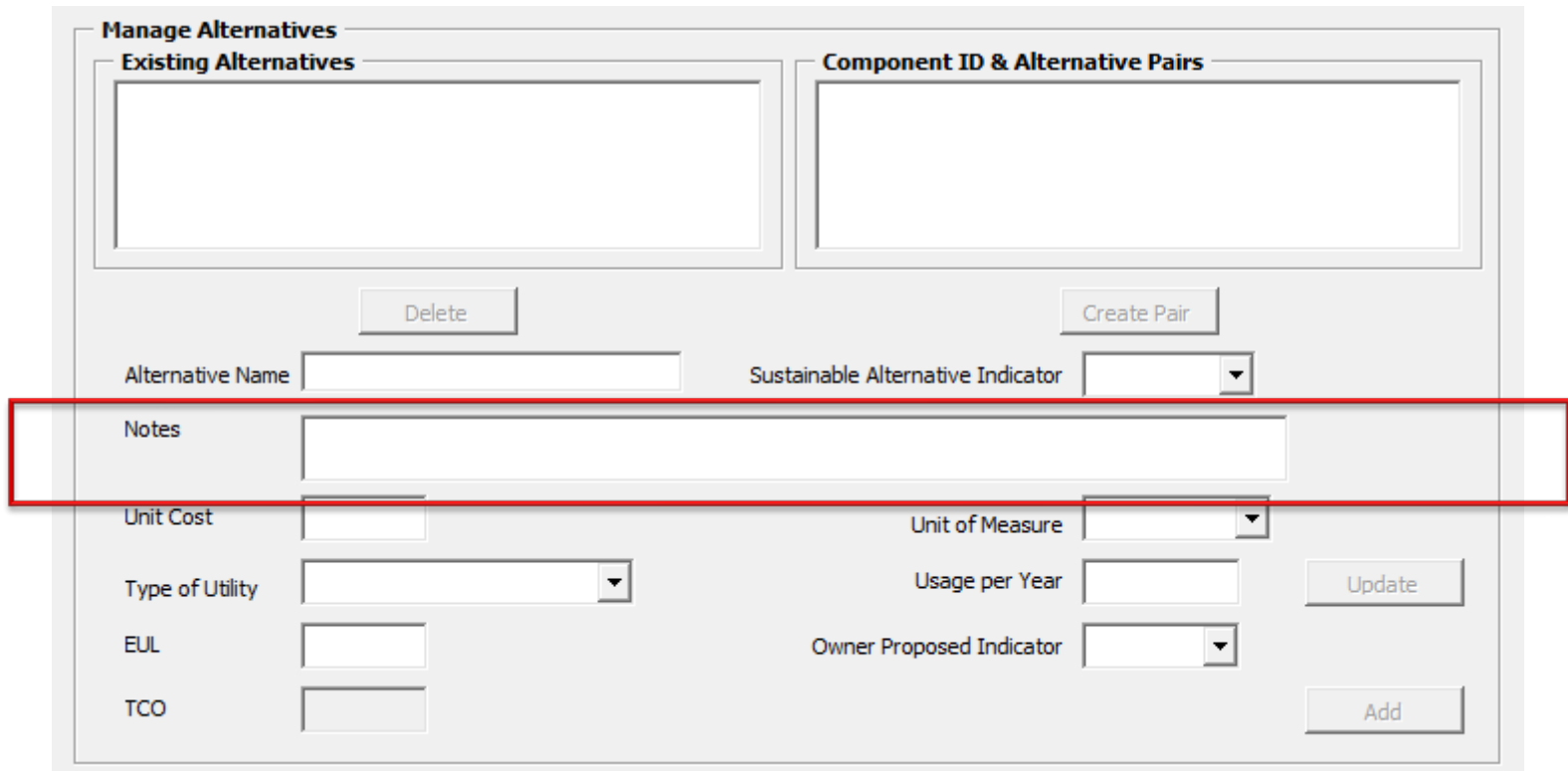
Notes

Unit Cost Unit of Measure

Type of Utility Usage per Year Update

EUL Owner Proposed Indicator

TCO Add

The image shows a web-based form titled "Manage Alternatives". It is divided into two main sections: "Existing Alternatives" and "Component ID & Alternative Pairs". Below these sections are two buttons: "Delete" and "Create Pair". The form contains several input fields: "Alternative Name" (text), "Sustainable Alternative Indicator" (dropdown), "Notes" (text, highlighted with a red box), "Unit Cost" (text), "Unit of Measure" (dropdown), "Type of Utility" (dropdown), "Usage per Year" (text), "EUL" (text), "Owner Proposed Indicator" (dropdown), and "TCO" (text). There are also "Update" and "Add" buttons on the right side of the form.

Example of Comment Fields: The Recommendations Form

Recommendations

Component Type:	<input type="text"/>		
Component ID:	<input type="text"/>	Alternative Name:	<input type="text"/>
When	<input type="text"/>	Life Safety Indicator	<input type="text"/>
Duration	<input type="text"/>	Accessibility Indicator	<input type="text"/>
Action	<input type="text"/>	Accessibility Statute	<input type="text"/>
Location	<input type="text"/>	Scope of Accessibility Compliance	<input type="text"/>
Cost	<input type="text"/>	Scope of Required Replacement/ Refurbishment	<input type="text"/>
Months to Complete	<input type="text"/>	<input type="text"/>	
TCO Savings	<input type="text"/>		
TCO per Year	<input type="text"/>		
Indicated Alternative	<input type="text"/>		

Explain Why

- Situation: you concluded to a 25-year useful life for this Alternative (exterior light)
- Bad explanation: Different Component ID
- Good explanation: this particular fixture is especially durable because [reason]

Questions?

Thank you!

**The Recorded Portion of the
Webinar Has Ended**

Webinar Logistics:

Virtual Classroom Portion

- Participants take your phone lines off mute
- Recording is off
- Group discussion
- If technical issues related to WebEx, insert them in the Chat Box

