

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**[Docket No. FR-4955-N-01]****Emergency Capital Repair Grants for Multifamily Housing Projects Designated for Occupancy by the Elderly****AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.**ACTION:** Notice.

SUMMARY: This notice announces the availability of up to \$10 million in grant funds to make emergency capital repairs to eligible multifamily projects that are owned by private nonprofit entities and designated for occupancy by elderly tenants. The capital repair needs must relate to items that present an immediate threat to the health, safety, and quality of life of the tenants. The intent of these grants is to provide one-time assistance for emergency items that could not be absorbed within the project's operating budget, and where the tenants continued occupancy in the immediate near future would be called into question by a delay in initiating the proposed cure. The notice provides instructions for owners to request the funding and instructions for the HUD field offices to process the request.

DATES: *Effective Date:* December 16, 2004.

FOR FURTHER INFORMATION CONTACT: Aretha Williams, Director, Grant Policy and Management Division, Office of Housing, Room 6142, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone 202-708-3000 (this is not a toll-free number). Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 800-877-8339.

SUPPLEMENTARY INFORMATION:**I. Background**

Section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) and the Consolidated Appropriations Act, 2004 (Public Law 108-199, approved January 23, 2004) authorize HUD to provide grants for substantial capital repairs to eligible multifamily projects with elderly tenants that are needed to rehabilitate, modernize, or retrofit aging structures, common areas or individual dwelling units. The Consolidated Appropriations Act, 2004 provides \$25,000,000 for grants for conversion of eligible units to assisted living "and for emergency capital repairs as determined by the Secretary" of HUD.

This notice announces the availability of up to \$10 million in grant funds to make emergency capital repairs to eligible multifamily projects that are owned by private nonprofit entities. The capital repair needs must relate to items that present an immediate threat to the health, safety, and quality of life of the tenants. The intent of these grants is to provide one-time assistance for emergency items that could not be absorbed within the project's operating budget, and where the tenants continued occupancy in the immediate near future would be called into question by a delay in initiating the proposed cure. The notice provides instructions for owners to request the funding and instructions for the HUD field offices to process the request.

II. Definition of "Emergency Capital Repairs"

For purposes of this notice, "emergency capital repairs" are defined as repairs at a project to correct a situation that presents an immediate threat to the life, health and safety of project tenants. Assistance is limited to those projects with emergency problems that are of such a magnitude that:

1. The problem poses an immediate threat to the quality of life of the tenants; and
2. The continuation of the problem could potentially result in an evacuation of the tenants or long-term tenant displacement unless the repairs were rendered.

III. Eligibility Requirements

Only private nonprofit owners of eligible multifamily assisted housing developments designated for occupancy by elderly tenants as specified in sections 683(2)(B), (C), (D), (E), (F), or (G) of the Housing and Community Development Act of 1992 (Public Law 102-550, approved October 28, 1992) are eligible for emergency capital repair grants under this notice. Projects must have had final closing on or before January 1, 1999.

To be eligible for an emergency capital repair grant under this notice, a project owner must be in compliance with:

1. Its Loan Agreement, Capital Advance Agreement, Regulatory Agreement, Housing Assistance Payment contract, Project Rental Assistance Contract, Rent Supplement or LMSA contract, or any other HUD grant or contract document.
2. All fair housing and civil rights laws, statutes, regulations, and executive orders as enumerated in 24 CFR 5.105(a).

IV. Grant Requirements**A. Conditions for Assistance**

The following conditions apply to emergency capital grants awarded under this notice:

1. The request for funding must clearly identify the emergency and must contain a detailed justification in support of the emergency designation.
2. Funds awarded may only be expended for approved uses.
3. Repairs must be initiated immediately upon receiving the grant award and must be sufficiently completed within six months of the initial start with final repairs completed no later than 12 months after receipt of funding. Unless there are safety concerns, tenants must be able to remain in their units while the repairs are being done.
4. The project owner must demonstrate that: (i) The project accounts have been maintained in accordance with all HUD requirements; and (ii) there are insufficient funds in the operating budget, the reserve for replacement and/or residual receipts to fund emergency capital repairs. HUD encourages owners to use residual receipts when available. Owners are required to rebuild replacement reserves to help ensure that sufficient funds will be readily available for emergency capital repairs that may be required in the future.
5. The project owner's most recent management review rating is "satisfactory" or above.
6. The most recent Real Estate Assessment Center (REAC) physical inspection report for the project must have a score of 60 or above. Developments scoring less than 60 are ineligible.
7. The project is well maintained except for the current emergency capital repair needs.
8. The project does not have a recent history of mortgage defaults.
9. The project owner does not have any material adverse financial or managerial actions or omissions with regard to any project that is federally assisted or financed with a loan or capital advance from or mortgage insured by an agency of the federal government.
10. Tenants must be notified of the request for the grant and must be informed of the overall plan to complete the capital repairs, if at all possible.
11. The owner's Affirmative Fair Housing Marketing Plan (AFHMP) must meet all applicable HUD requirements. If not, the owner must have an acceptable plan in place prior to completion of the repairs.

12. The project owner is in compliance with all fair housing and equal opportunity statutes or has an approved plan for compliance prior to completion of the repairs.

B. Funding

The following requirements apply to emergency capital grant amounts awarded under this notice:

1. The maximum amount an individual project owner may apply for is \$500,000.
2. HUD will fund all approved applications on an as submitted basis until funds have been fully expended.
3. HUD retains the right to adjust the amount of the grant up to the maximum grant of \$500,000 or down based upon review of the reasonableness of the costs for completing the repairs.
4. Project owners should be aware as they prepare their request that the prevailing wage rate requirements of the Davis-Bacon Act may be applicable.

C. Eligible Uses of Funds

Grant funds are available only for emergency capital repairs that relate to immediate health/safety needs that impact upon the quality of life of the tenants if the repairs are not made. The project owner must submit a description of the proposed use of the funds and demonstrate how the repairs relate to eliminating the immediate emergency for the tenants. The award is a one-time opportunity for correction of the threat to the tenants. Funds may be used to repair or replace systems including, but not limited to:

1. Major building and structural components that are in critical condition; and
2. Repairs or replacements to mechanical equipment to the extent they are necessary for health and safety reasons.

D. Ineligible Uses of Funds

Emergency capital repair grants may not be used for the following costs:

1. Deferred maintenance items.
2. Lead-based paint abatement.
3. Demolition and reconstruction activities.
4. Security systems.

E. Use Agreement

If there are less than 10 years remaining on the existing mortgage, owners must enter into a Use Agreement (Attachment I) to extend the remaining affordability of the project for up to 10 years. For example, if the maturity date of the mortgage is three years from the execution of the Grant Agreement, the owner must enter into a Use Agreement for seven years beyond the term of the

mortgage; if the maturity date of the mortgage is 15 years, the owner will not need to execute a Use Agreement unless the mortgage is prepaid. All Use Agreements must be recorded.

V. Request Process

A. Owner Submission Requirements

An emergency categorization is critical to qualifying for participation in this program. Priority will be given to areas subject to a current declaration of "Federal Disaster Assistance." Requests for grants must be submitted in accordance with the procedures described below:

1. The request must be made in writing and submitted by the project owner to the local field office (Attachment II). The request must clearly identify all repairs of an emergency nature for which funding is requested, the basis for the emergency declaration and how it impacts upon the health and safety of the tenants as well as what would happen if the emergency repair was not done immediately. *Requests signed by a consultant or management agent on behalf of the owner are not acceptable.*

Note: Repair items identified on the REAC physical inspection report are not sufficient to be classified as emergency in nature.

2. Action items should be written in a manner that specifically describes the scope of work to be performed, provides an estimate of the cost of the work to be performed, and an explanation of the basis for the estimate. The estimate provided for the cost of each action item must be reasonable.

3. The request must demonstrate that the repairs cannot be corrected at a cost that can be absorbed within the operating budget or use of the reserve for replacement and/or residual receipts funds.

4. The request must provide a project plan for completing the repairs within six months but no longer than one year from the date of the grant award.

5. The project owner must notify the tenants of the plans to apply for this grant, if possible. If applicable, the request must provide evidence that the tenants were notified and given the opportunity to make comments. Any comments received from the tenants must be submitted to the local HUD field office along with the repair request.

6. The request must provide a description of all unsuccessful attempts (if any) the owner has made to acquire funds from other sources, including letters of denial from funding sources, to complete the outstanding emergency capital repairs.

7. The request must provide a description of any previous grants or loans received by the project for repairs.

B. Field Office Processing

1. The Hub Director/Program Center Director is responsible for ensuring that the requests are promptly and thoroughly reviewed and submitted to HUD headquarters.

2. Incomplete applications will not be processed and will be returned to the owner. Owners may re-submit a revised application, but it will be processed as a new request in the order in which it is received the second time.

3. Each field office has the responsibility for conducting a comprehensive review of the project's files that may include an on-site review. The review should consist of completion of the questions in Attachment IV and may include any other concerns the field office may have about the project.

C. Approval Process

1. All approvable requests along with the Certifications from the Program Centers (Attachment III) should be sent to the Multifamily Hub Director. Hub Directors will fax the approvable request to the Office of Housing Assistance and Grant Administration in Headquarters, Attention: Willie Spearmon at (202) 708-3104. In addition, an original copy of the request should be mailed to Willie Spearmon.

2. Once Headquarters receives the approval of the request for emergency capital repairs from the Hub Director, the Office of Housing Assistance and Grant Administration will process the request and award the funds.

Note: Due to limitations of funding, approval of such recommendations are strictly based on an as submitted basis until the exhaustion of funds. HUD Headquarters reserves the right to deny or reduce any request for funds. Priority will be given to areas subject to a current declaration of "Federal Disaster Assistance."

3. Once the grant funds have been reserved, Headquarters will notify the Multifamily Director in the field office who will notify the owner of the grant award.

4. Headquarters will notify field staff by electronic mail at the time the reservation documents are sent to the Fort Worth Accounting Center to assign the funds. Field staff should check in LOCCS to confirm reservation of the funds. Once funds have been reserved, the Multifamily Hub/Program Center Director should execute the Grant Agreement.

VI. Environmental Review

In accordance with 24 CFR 50.19(b)(10) of HUD's regulations, this notice provides assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair or restoration activities necessary only to

control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration. Therefore, emergency capital repair grants provided under this notice are categorically excluded from the requirements of the National

Environmental Policy Act (42 U.S.C. 4332 *et seq.*).

Dated: December 13, 2004.

John C. Weicher,

Assistant Secretary for Housing-Federal Housing Commissioner.

BILLING CODE 4210-27-P

Appendix I

PROJECT NAME: _____

FHA PROJECT NO: _____

CITY, STATE: _____

RENTAL USE AGREEMENT

This Agreement is made and entered into this _____ day of _____, 2004, by and between the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner, and _____ (Mortgagor).

The owner has entered into an agreement with the Commissioner to maintain the property as rental housing for the elderly for the remainder of the specified _____-year period;

The Commissioner has determined that continuation of the property as rental housing is clearly necessary to assure adequate rental housing opportunity for low- and moderate-income elderly tenants.

Whereas, the owner has requested a grant from the Emergency Capital Repair Program to make emergency capital repairs to the property.

Whereas, the owner is willing to agree to maintain the subject property as an affordable rental property until _____.

Whereas, in the event the owner chooses to sell or transfer the property, or prepay the loan during the period of time this Rental Use Agreement is in effect, the owner will require, as a condition, that whomever acquires the property commit to maintain the property pursuant to the terms of this Rental Use Agreement.

Now, Therefore, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the parties agree as follows:

1. The execution and recording of this Agreement shall constitute HUD's approval of grant funds from the Emergency Capital Repair Program in the amount of _____.
2. The owner agrees that during the period that it owns the property, it will maintain the property as affordable rental housing until _____. During such period, should the property be sold, the Purchaser shall not utilize project dwelling units for any purpose other than affordable rental housing for the elderly.
3. The provisions of this Agreement shall be binding upon the heirs, successors, or assigns of the owner.

4. The provisions of this Agreement relating to the rental use of the property shall run with the land and shall be binding for the benefit of, in favor of and enforceable by the Secretary and his successors in office. The Secretary and his successors in office or any third-party beneficiary shall be entitled to (a) institute legal action to enforce performance and observance of, (b) enjoin any actions which are violative of, and (c) exercise any other legal or equitable right or remedy. For the purpose of these covenants, a third-party beneficiary shall be any person eligible for occupancy in the rental project insured pursuant to the provisions of the applicable program for the elderly. These rights and remedies may be exercised separately or in combination.

In witness thereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST:

OWNER:

TITLE:

UNITED STATES OF AMERICA
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT

By: Director, Multifamily
Hub/Program Center

COUNTY OF _____

STATE OF _____

On this _____ day of _____, 2004 before me, the undersigned, officer, personally appeared _____ who acknowledged himself /herself to be the _____ of _____, and that as such _____, being authorized to do so, executed the within Agreement for the purpose therein contained by signing the name of said entity by himself/herself as _____.

WITNESS my hand and Notary seal the day and year aforesaid.

SEAL

Notary Public

My Commission expires _____

COUNTY OF _____

STATE OF _____

FIELD OFFICE CONTACT INFORMATION

<u>HUD - BOSTON HUB</u> HARTFORD OFFICE One Corporate Center 19th Floor Hartford, CT 06103-3220 (860) 240-4800 TTY Number: (860) 240-4665	<u>HUD - BUFFALO HUB</u> BUFFALO OFFICE Lafayette Court Building 465 Main Street, 2 nd Floor Buffalo, NY 14203-1780 (716) 551-5755, ext. 5000 TTY Number: (716) 551-5787
BOSTON OFFICE Room 301 Thomas P. O'Neill, Jr. Federal Building 10 Causeway Street Boston, MA 02222-1092 (617) 994-8500 TTY Number: (617) 565-5453	<u>HUD - PHILADELPHIA HUB</u> PHILADELPHIA OFFICE The Wanamaker Building 100 Penn Square East Philadelphia, PA 19107-3380 (215) 656-0609 TTY Number: (215) 656-3452
MANCHESTER OFFICE 1000 Elm Street 8 th Floor Manchester, NH 03101 (603) 666-7510 TTY Number: (603) 666-7518	CHARLESTON OFFICE Suite 708 405 Capitol Street Charleston, WV 25301-1795 (304) 347-7000 TTY Number: (304) 347-5332
PROVIDENCE OFFICE Sixth Floor 10 Weybosset Street Providence, RI 02903-2808 (401) 528-5230 TTY Number: (401) 528-5403	NEWARK OFFICE Thirteenth Floor One Newark Center Newark, NJ 07102-5260 (973) 622-7900 TTY Number: (973) 645-3298

<u>HUD - NEW YORK HUB</u> NEW YORK OFFICE 26 Federal Plaza, Room 3200 New York, NY 10278-0068 (212) 264-8000 TTY Number: (212) 264-0927	PITTSBURGH OFFICE 339 Sixth Avenue Sixth Floor Pittsburgh, PA 15222-2507 (412) 644-6428 TTY Number: (412) 644-5747
<u>HUD - BALTIMORE HUB</u> BALTIMORE OFFICE Fifth Floor City Crescent Building 10 South Howard Street Baltimore, MD 21201-2505 (410) 962-2520 TTY Number: (410) 962-0106	<u>HUD - ATLANTA HUB</u> ATLANTA OFFICE ATTN: Multifamily Housing 12 th Floor 40 Marietta Street Five Points Plaza Atlanta, GA 30303-2806 (404) 331-4976 TTY Number: (404) 730-2654
RICHMOND OFFICE 600 East Broad Street Richmond, VA 23219 (804) 771-2100, ext. 3839 TTY Number: (804) 771-2038	SAN JUAN OFFICE Edificio Administracion de Terrenos 171 Carlos Chardon Avenue Suite 301 San Juan, PR 00918-0903 (787) 766-5401 TTY Number: (787) 766-5104
<u>HUD - GREENSBORO HUB</u> GREENSBORO OFFICE Asheville Building 1500 Pinecroft Road, Suite 401 Greensboro, NC 27407-3838 (336) 547-4000 TTY Number: (336) 547-4020	LOUISVILLE OFFICE 601 West Broadway Louisville, KY 40202 (502) 582-5251 TTY Number: (866) 800-0289
COLUMBIA OFFICE Strom Thurmond Federal Building 13 th Floor 1835-45 Assembly Street Columbia, SC 29201-2480 (803) 765-5592 TTY Number: (803) 253-3209	KNOXVILLE OFFICE Third Floor, Room 315 John J. Duncan Federal Building 710 Locust Street Knoxville, TN 37902-2526 (423) 545-4384 TTY Number: (423) 545-4559

	NASHVILLE OFFICE 235 Cumberland Bend, Suite 200 Nashville, TN 37228-1803 (615) 736-5213 TTY Number: (866) 503-0267
<u>HUD - JACKSONVILLE HUB</u> JACKSONVILLE OFFICE Suite 2210 Southern Bell Tower 301 West Bay Street Jacksonville, FL 32202-5121 (904) 232-2626 TTY Number: (904) 232-2631	<u>HUD - DETROIT HUB</u> DETROIT OFFICE Patrick V. McNamara Federal Building 477 Michigan Avenue, Suite 1635 Detroit, MI 48226-2592 (313) 226-7900 TTY Number: (313) 226-6899
BIRMINGHAM OFFICE Medical Forum Building 950 22nd St., North Suite 900 Birmingham, AL 35203-5301 (205) 731-2630 TTY Number: (205) 731-2624	<u>HUD - COLUMBUS HUB</u> COLUMBUS OFFICE 200 North High Street 7th Floor Columbus, OH 43215-2499 (614) 469-5737 TTY Number: (614) 469-6694
JACKSON OFFICE Suite 910 Doctor A.H. McCoy Federal Building 100 West Capitol Street Jackson, MS 39269-1096 (601) 965-4700 TTY Number: (601) 965-4171	CLEVELAND OFFICE US Bank Centre 1350 Euclid Avenue Suite 500 Cleveland, OH 44115-1815 (216) 522-4058 TTY Number: (216) 522-2261
<u>HUD - CHICAGO HUB</u> CHICAGO OFFICE Ralph H. Metcalfe Federal Building 77 West Jackson Boulevard, 23 rd Floor Chicago, IL 60604-3507 (312) 353-5680 TTY Number: (312) 353-5944	<u>HUD - MINNEAPOLIS HUB</u> MINNEAPOLIS OFFICE 920 Second Avenue South, Suite 1300 Minneapolis, MN 55402-4012 (612) 370-3000 TTY Number: (612) 370-3186

INDIANAPOLIS OFFICE 151 North Delaware Street Indianapolis, IN 46204-2526 (317) 226-6482, 6831, or 7183 TTY Number: (317) 226-7081	MILWAUKEE OFFICE Suite 1380 Henry S. Reuss Federal Plaza 310 West Wisconsin Avenue, Suite 1380 Milwaukee, WI 53203-2289 (414) 297-3214, ext. 8673 TTY Number: (414) 297-1423
<u>HUD - FT. WORTH HUB</u> LITTLE ROCK OFFICE Suite 900 TCBY Tower 425 West Capitol Avenue Little Rock, AR 72201-3488 (501) 324-5931 TTY Number: (501) 324-5931	<u>HUD - KANSAS CITY HUB</u> DES MOINES OFFICE Room 239 Federal Building 210 Walnut Street Des Moines, IA 50309-2155 (515) 284-4583 TTY Number: (515) 284-4728
NEW ORLEANS OFFICE Ninth Floor Hale Boggs Federal Building 500 Poydras Street New Orleans, LA 70130-3099 (504) 589-7200 TTY Number: (504) 589-7279	KANSAS CITY OFFICE Room 200 Gateway Tower II 400 State Avenue Kansas City, KS 66101-2406 (913) 551-5462 TTY Number: (913) 551-6972
FT. WORTH OFFICE 801 Cherry Street P.O. Box 2905 Fort Worth, TX 76113-2905 (817) 978-5965 TTY Number: (817) 978-5595	OMAHA OFFICE Executive Tower Centre 10909 Mill Valley Road Suite 100 Omaha, NE 68154-3955 (402) 492-3122 TTY Number: (402) 492-3183
HOUSTON OFFICE 1301 Fannin, Suite 2200 Houston, TX 77002 (713) 718-3199 TTY Number: (713) 718-3289	ST. LOUIS OFFICE Third Floor Robert A. Young Federal Building 1222 Spruce Street, Room 3.207 St. Louis, MO 63103-2836 (314) 539-6583 TTY Number: (314) 539-6331

SAN ANTONIO OFFICE 106 South St. Mary's, Suite 405 San Antonio, TX 78205 (210) 475-6800 TTY Number: (210) 475-6885	OKLAHOMA CITY OFFICE 301 N.W. 6 th , Suite 200 Oklahoma City, OK 73102 (405) 609-8410 TTY Number: (405) 609-8480
<u>HUD - DENVER HUB</u> DENVER OFFICE UMB Bank Building 23 rd Floor 1670 Broadway Denver, CO 80202 (303) 672-5343 TTY Number: (303) 672-5113	<u>HUD - LOS ANGELES HUB</u> LOS ANGELES OFFICE 611 West 6th Street Suite 800 Los Angeles, CA 90017-3106 (213) 894-8000 TTY Number: (213) 894-8133
<u>HUD - SAN FRANCISCO HUB</u> PHOENIX OFFICE One North Central #600 Phoenix, AZ 85004 (602) 379-7149 TTY Number: (602) 379-4557	<u>HUD - SEATTLE HUB</u> PORTLAND OFFICE 400 Southwest Sixth Avenue Suite 700 Portland, OR 97204-1632 (503) 326-3228 TTY Number: (503) 326-2568
SAN FRANCISCO OFFICE Philip Burton Federal Building and U.S. Courthouse 450 Golden Gate Avenue P.O. Box 36003 San Francisco, CA 94102-3448 (415) 436-8356 TTY Number: (415) 436-6594	ANCHORAGE OFFICE 3000 C Street, Suite 401 Anchorage, AK 99503 (503) 326-3228 TTY Number: (503) 326-2568
HONOLULU OFFICE 500 Ala Moana Boulevard Suite 3A Honolulu, HI 96813 (808) 522-8185 TTY Number: (808) 522-8193	SEATTLE OFFICE 909 First Avenue, Suite 200 Seattle, WA 98104-5254 (503) 326-3228 TTY Number: (503) 326-2568

*Appendix III***FIELD OFFICE CERTIFICATION**

Project Name: _____
Project Number: _____
Program Center: _____
Hub: _____
Amount Requested: _____

I recommend that the referenced project be considered for funding. I certify that the use of Emergency Capital Repair Grant funds for the referenced project falls within the statutory guidance and that the assistance is necessary to make emergency capital repairs at the property. Attached is a brief narrative describing the emergency capital repair needs.

Project Manager

Date

Program Center Director

Date

Hub Director

Date

*Appendix IV***REVIEW CHECK LIST**

REVIEW CHECK LIST instructions may be found in Section V B 3. If the answer to any of the questions in the Table below is "No", please provide comments in the space for comments in the table or in the space for additional comments.

Project Name: _____
Project Number: _____
Program Center: _____

CATEGORY	YOU ARE LOOKING FOR...	ANSWER	COMMENTS
Analysis of an Emergency Situations	Is this an emergency situation requiring the immediate use of these funds?	Yes ____ No ____	
Project Plan	Are the specifications for capital repairs sufficiently detailed?	Yes ____ No ____	
Physical Inspection	Provide the score and the date of the most recent REAC physical inspection.	_____ _____ _____	

Presence of Flags	<p>Has the owner or the management agent been “flagged” in the Active Partner Performance System (APPS)? If either the owner or agent has a “flag” the normal 2530 clearance processes are required.</p> <p>Since time is of the essence, the 2530 clearance process request should indicate that this information is for the Emergency Capital Repairs Grant Program and identify the request as URGENT.</p>	Yes ____ No ____	
Repair costs	<p>Are the costs for the repairs reasonable and appropriate to the needs identified in the submission and the repairs being made?</p>	Yes ____ No ____	
HUD Agreements	<p>Is the owner in compliance with the Mortgage, Regulatory Agreement Assistance contract, if applicable, etc?</p>	Yes ____ No ____	
Management	<p>Is current management satisfactory to HUD based upon review of financial statements and management and occupancy reviews?</p> <p>When was the last management review conducted?</p>	Yes ____ No ____ _____	

Annual Operating Expenses	<p>Can the repairs be completed with the current funds available in the project?</p> <p>If not, what is the basis for the judgment that they cannot be completed with existing funds and reserves or with other non-HUD/non-project resources?</p> <p>Are the annual operating expenses reasonable?</p>	<p>Yes ____ No ____</p> <p>Yes ____ No ____</p>	
Age of the Project	What is the date of the final closing?	_____	
Replacement Reserve Requirements	Have deposits been made each month to the project's reserve account?	<p>Yes ____ No ____</p>	
	<p>What is the Balance in the Reserve for Replacement Account?</p> <p>What is the required Balance?</p>	<p>\$ _____</p> <p>\$ _____</p>	
Residual Receipts Balance	What is the balance in the Residual Receipts Account?	\$ _____	

Audited Financial Statement	Is the owner current with filing of the audited financial statements? Were all findings, if any, resolved within 30 days?	Yes ___ No ___ Yes ___ No ___	
Excess Income	If the project is a Section 236, is the owner in compliance with the Excess Income requirements?	Yes ___ No ___	
Tenant Participation	Has data from tenants been reviewed to determine if there are persistent valid tenant complaints of a serious nature?	Yes ___ No ___	
Civil Rights Compliance	Does the owner's AFHMP meet HUD requirements?	Yes ___ No ___	
	Is the owner in compliance with all FHEO statutes?	Yes ___ No ___	

ADDITIONAL COMMENTS:

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