

CHAPTER 3. RECONSIDERATIONS

- 3-1. INCREASE IN VALUE. Processing reconsiderations of value, changes of plans, and revisions of alternates will be initiated by letter of request and appropriate forms from the mortgagee. The mortgagee will identify the reprocessing action by indicating the MCC number, house type, tract and case numbers. The mortgagee need not return the outstanding MCC.
- a. An increase in the value of a house type or alternate on an outstanding commitment that does not involve a change of plans will be requested by letter. No forms are required with the request. If an increase in value is granted, Amendment to the MCC, Form 1322.2, will be issued.
 - b. If the original MCC has been in existence for five or more months, the receiving clerk should refer to the case files so that cases that have closed or are in closing are not charged as reopened for reconsideration. See Appendix 4 for an example of an completed Amendment to the MCC.
 - c. It should be noted that when an Amendment is issued, the original MCC is not superseded. Only those conditions which are modified by the Amendment are covered in the body of the Amendment.
 - d. If the reconsideration action is limited to an increase in the value of a basic house type, the Schedule of Alternates and Property Schedule, which are unaffected by this action, are not reproduced on the Amendment to the MCC.
 - e. After review and signing by the Chief Appraiser or his designee, the executed Amendment is distributed as follows:
 - (1) Original to the Subdivision Processing File;
 - (2) Two (2) copies to the mortgagee;
 - (3) One Copy to the Architectural Section inspection sets;
 - (4) One Copy for each case binder.

- 3-2. CHANGE IN HOUSE TYPE. Where a sponsor wishes to change from one house type to another, both of which are included on the MCC, and prior approval is required as a commitment condition, the mortgagee will make a request by way of Form 2577 (three copies). Included with the request will be the proposed grading plan for the new house. The sponsor will be advised of the action taken

by way of a completed Form 2577.

- 3-3. CHANGE IN ALTERNATES. Where new alternates are being added, the request will be made by Form 2439 with appropriate exhibits to adequately describe the new alternates. The new alternates will be issued on an Amendment to the MCC. Where a new alternate is added or an alternate value is increased, only the affected alternate is included on the Amendment to the MCC.
- 3-4. INTRODUCTION OF A NEW HOUSE TYPE. When a builder desires to introduce a new house plan to an outstanding MCC, it may prove helpful to the builder to have HUD review the new plans and specifications before an application is made. However, an office should not insist upon subjecting a builder to such preprocessing requirement. The formal submission of a new house type will be made by way of Form 2577 with three copies of the new plans and specifications. A grading plan for each lot must also be submitted. The mortgagee must list a minimum of five case numbers so as to introduce the new house type to the Master Conditional Commitment. The Field Office will incorporate the new house type by way of an Amendment to the MCC.
- 3-5. EXTENSIONS. Requests for extension may be made by letter. The receiving clerk reopens the group in the usual manner and routes the cases to the Valuation Section for assignment and processing. Approval will be indicated by the issuance of an Amendment to the MCC. The original of the Amendment will be filed in the Subdivision Processing File. A copy of the Form 2004T, Notice of Fee Charge or Credit, will be filed in each case binder indicating the new expiration date.