

Guide for Review of Homeowner Rehabilitation Projects			
Participating Jurisdiction (PJ):		Owner/Subrecipient:	
Staff Consulted:			
Project Address:		Project Amount:	
		Date Committed:	
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**."

Instructions: This Exhibit is designed for use in reviewing individual project files for the PJ's owner-occupied rehabilitation program. It is divided into nine sections: Participant Eligibility; Property Eligibility; Eligible/Reasonable Costs; Property Standards; Written Agreement; Contractor Selection; Construction Management; Loan Processing and Servicing; and Recordkeeping. If an area or question is not reviewed, make a note to this effect in the applicable "Describe Basis for Conclusion" section of the applicable question.

Questions:

A. PARTICIPANT ELIGIBILITY

1.

Was the applicable definition of income used (e.g. selected for this homeownership rehabilitation program)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

2.

Did the PJ correctly apply income inclusions and exclusions for the chosen income definition and was the calculation performed correctly? [24 CFR 92.203(b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

3.

Was household income supported with source documentation? [24 CFR 92.203(a)(2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

4.

Was the family's annual income less than or equal to 80% of the area median income? 24 CFR 92.254(b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

5. Ownership/ Occupancy

a. Did program staff obtain evidence of ownership? (NOTE: A deed alone is not sufficient documentation. A title search or a recent review of recorded ownership information should have been conducted.) [24 CFR 92.254(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. Does the file documentation include a documentation demonstrating that the household uses this property as its principal residence (e.g., utility bill)? [24 CFR 92.254(b)(2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

B. PROPERTY ELIGIBILITY

6.

Was the property listed as a single-family home (1-4 units)? [24 CFR 92.254(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

7.

Does the work write-up/cost estimate establish that at least \$1,000 of HOME-funded rehabilitation work is required? [24 CFR 92.205(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

8.

Is the estimated after-rehabilitation property value less than or equal to 95% of the median single-family purchase price for the area as determined by HUD/PJ? [24 CFR 92.254(b)(1)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

9.

a. Does the file contain evidence that the environmental review requirements were met? (Complete Exhibit 21-1 in this Handbook to answer this question.) [24 CFR 92.352]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			
b. Does the file contain evidence of compliance with flood insurance protection when assistance was used for rehabilitation of real property located within the Special Flood Hazard Area (SFHA)? (Use Exhibit 27-1 of this Handbook, "Guide for Review of Flood Insurance Protection.") [24 CFR 92.352]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

C. ELIGIBLE/REASONABLE COSTS

10.

a. Are all costs detailed on the cost estimate and in the rehabilitation contract eligible under the HOME program? [24 CFR 92.206]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			
b. If costs were not eligible, was another source of funds used for these costs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

11.

If HOME funds were used for refinancing, is there documentation in the file demonstrating that the household's overall housing costs were reduced? [24 CFR 92.206(b)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

12.

Was the amount of HOME subsidy at or below the applicable maximum per unit subsidy limit for the unit? [24 CFR 92.250(a)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

13.

Was the amount of HOME subsidy equal to or greater than the \$1,000 minimum per unit subsidy? [24 CFR 92.205(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

14.

a. Was the subsidy provided in an eligible form of investment (i.e., equity investments, interest bearing or non-interest bearing loans or advances, interest subsidies, deferred payment loans, grants or loan guarantees)? [24 CFR 92.205(b)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. If the subsidy was provided in a form not listed above, was that form approved by HUD? [24 CFR 92.205(b)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

15.

Do the costs appear reasonable (e.g., based upon the PJ cost estimate and costs of comparable work in the area)? [24 CFR 92.505(a) and 24 CFR 85.22 and OMB A-87, Attachment A, Section C.2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

D. PROPERTY STANDARDS

16.

Does the project file include the following:			
a. Work write-up/cost estimate? [24 CFR 92.505(a) and 24 CFR 85.36(f)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Documentation of initial inspection? [24 CFR 92.505(a) and 24 CFR 85.36(f)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. Documentation of progress inspection? [24 CFR 92.505(a) and 24 CFR 85.36(b)(2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

17.

Does the work write-up:			
a. include all work noted on the initial inspection report? [24 CFR 92.251]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. reflect the PJ's written rehabilitation standards? [24 CFR 92.251(a)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

18.

Was the work write-up written with enough detail to enable a contractor to provide a reliable bid? [24 CFR 92.505(a) and 24 CFR 85.36(c)(3)(i) and 85.36(d)(2)(i)(A)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

19.

Was work performed in accordance with the PJ's written rehabilitation standards? [24 CFR 92.251(a)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

20.

Does the final inspection confirm that all necessary work was completed? [24 CFR 92.251(a)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

21.

Does the final inspection confirm that the property met all applicable property standards at completion? [24 CFR 92.251(a)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

22.

If the project was constructed before 1978, does the project comply with lead safe housing requirements at 24 CFR Part 35? [Complete Lead Hazards Monitoring Guidance for Rehabilitation, Exhibit 24-1 to answer this question.] [24 CFR 92.355]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

23.

[OS] If the project has been selected for an on-site inspection to examine the quality of the rehabilitation work, the monitor should perform a walk-through of the property with the initial inspection, the work write-up, and the final inspection report.			
a. Based upon observable conditions, have the deficiencies identified in the initial inspection report been corrected? [24 CFR 92.251]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			
b. If the homeowner was interviewed, is s/he satisfied with the rehabilitation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

c. Is the property free of all obvious property standard violations? [24 CFR 92.251(a)(1)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

E. WRITTEN AGREEMENT

24.

Does the written agreement with the homeowner include all required provisions? (Complete Exhibit 7-14, "Beneficiary Written Agreements," to answer this question.) [24 CFR 92.504(c)(5)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

25.

Was the written agreement executed by the PJ and the homeowner before the project was funded in IDIS? (Compare the dated signatures on the written agreement to the Initial Funding Date on the View Activity Screen in IDIS.) [24 CFR 92.502(b)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

F. CONTRACTOR SELECTION

26.

Does the project file include verification of contractor eligibility, e.g. that awards were not made to any party excluded, disqualified or otherwise ineligible (i.e., suspension, debarment or limited denial of participation) for Federal procurement or nonprocurement programs? [24 CFR 92.350(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

27.

Was the rationale for the selection of the contractor documented? [24 CFR 92.505(a) and 24 CFR 85.36(c)(9)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

28.

If the PJ selected the contractor, was a competitive bid process used? [24 CFR 92.505(a) and 85.36(c) and (d)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

29.

If the homeowner solicited the bids, was more than one bid solicited?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

30.

Was a pre-construction conference conducted and documented in the file? [24 CFR 92.505(a) and 24 CFR 85.36(b)(2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

G. CONSTRUCTION MANAGEMENT

31.

Did the homeowner and contractor execute a rehabilitation contract? [24 CFR 92.505(a) and 24 CFR 85.20(b)(6)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

32.

Were progress inspections of the project performed prior to approving the contractor's request for payment? [24 CFR 92.505(a) and 24 CFR 85.36(b)(2)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

33.

Did the owner approve final payment to the contractor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes No N/A			
Describe Basis for Conclusion:			

34.

Did the PJ and the owner review and approve change orders for any changes in the scope of work? [24 CFR 92.505(a) and 24 CFR 85.20(b)(6) and 85.36(f)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

35.

Does the project file contain: [24 CFR 92.505(a) and 24 CFR 85.36(b)(2)]			
a. Final Lien Release?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Contractor Warranty or Equipment Warranties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

H. LOAN PROCESSING AND SERVICING

36.

Did the homeowner sign the loan agreement? [24 CFR 92.205(b)(1); 24 CFR 92.505(a) and 24 CFR 85.20(b)(2) and 85.20(b)(6)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

37.

Were loan documents recorded? [24 CFR 92.505(a) and 24 CFR 85.20(b)(3)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

38.

If funding sources in addition to HOME were used, do project records include documentation of the source and application of funds for the project? [24 CFR 92.508(a)(3)(ii); 24 CFR 92.505(a) and 24 CFR 85.20(b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

I. RECORDKEEPING

39.

For Family Information, is the following documentation in the file:			
a. Completed application?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Verification of Income? [24 CFR 92.508(a)(3)(v)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. Documentation of principal residency? [24 CFR 92.508(a)(3)(xi)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
d. Approval notification/documents?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

40.

Regarding Legal Documents, is the following documentation in the file:			
a. Copy of Deed? [24 CFR 92.508(a)(3)(xi)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Title Search and/or Preliminary Title Opinion? [24 CFR 92.508(a)(3)(xi)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. Closing Documents? [24 CFR 92.508(a)(3)(ii)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
d. Homeowner HOME Written Agreement? [24 CFR 92.504b(5) and 92.508(a)(3)(ii)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

41.

Regarding Property Information, is the following documentation in the file:			
a. Environmental screening checklist? [24 CFR 92.508(a)(7)(iii)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Appraisal/Value estimate? [24 CFR 92.508(a)(3)(x)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. Work write-up/Cost estimate? [24 CFR 92.505(a) and 24 CFR 85.36(f)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
d. Rehabilitation contract? [24 CFR 92.508(a)(3)(ii)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
e. Change orders (if applicable)? [24 CFR 92.508(a)(3)(ii)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
f. Initial inspection report?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
g. Progress inspection reports?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
h. Final inspection report? [24 CFR 92.508(a)(3)(iv)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
i. Notification of lead-based paint? [24 CFR 92.508(a)(3)(iv)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

42.

Based upon this file review, is the document sufficient to determine compliance with HOME requirements? [24 CFR 92.508(a)(3)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			