

Guide for Review of Rental Projects			
Participating Jurisdiction (PJ):			
Staff Consulted:			
Project Name/Address:		Project Amount:	
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 to review individual project and unit records for HOME-funded rental projects. A separate Exhibit is to be completed for each project monitored. The Exhibit is divided into ten sections: Project Description; Subsidy; Cost Allocation; Eligible/Reasonable Costs; Property Standards; Initial and On-going Rent and Occupancy Requirements; Other Project Requirements; Construction Management; On-Site Management; and Recordkeeping. Not all sections may be applicable to a project, particularly if it is not yet completed. The Exhibit may also be used as an interview instrument for program staff. If an area or question is not examined, make a note to this effect in the "Describe Basis for Conclusion" section. Regarding the selection of files to be sampled, the guidance in Section 7-4 in the introduction to this Chapter should be followed.

Questions:

A. PROJECT DESCRIPTION

1.

<p>a. Project Information:</p> <p>1. Project Owner: _____</p> <p>2. Project commitment date: _____</p> <p>3. Completion date: _____</p> <p>4. Total number of units: _____</p> <p>5. Number of HOME-assisted units: _____</p> <p>6. HOME assisted units are: Fixed _____ Floating _____</p>
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b. Financial Information:	
1. Unit costs were determined by: Proration _____ Actual cost _____	
2. List sources and amounts of funding in project:	
3. Terms of HOME assistance (e.g. loan/grant; interest rate; maturity):	
4. Per Unit Cost: _____	
5. Period of Affordability: _____	

B. SUBSIDY

2.

Is the HOME subsidy to the project at least \$1000 per unit? [24 CFR 92.205(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

3.

Is the HOME per-unit subsidy to the project less than or equal to the maximum per unit subsidy? [24 CFR 92.250(a)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

4.

If HOME was combined with other public funds, did the PJ perform a subsidy layering review? [24 CFR 92.250(b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

5.

a. Was the subsidy provided in an eligible form of investment (i.e., equity investments, interest or non-interest bearing loans or advances, interest subsidies, deferred payment loans, grants or loan guarantees)? [24 CFR 92.205(b)]	<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:	

C. COST ALLOCATION

6.

If a proration method of cost allocation was used, are the units comparable in terms of bedroom size, square footage and level of amenities? [24 CFR 92.205(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

7.

If a proration method of cost allocation was used, were any HOME-eligible costs subtracted from the total development cost to determine the total HOME-eligible development costs? [24 CFR 92.205(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

8.

If units are not comparable, was a unit-by-unit cost allocation system used? [24 CFR 92.205(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

9.

Was cost allocation calculation documented? [24 CFR 92.508(a)(3)(ii)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

D. ELIGIBLE/REASONABLE COSTS

10.

Does the “Sources and Uses Statement” or other documentation indicate that there were sufficient HOME-eligible costs associated with the project to support the amount of HOME funds provided? [24 CFR 92.205(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

11.

Were costs reasonable (e.g., acquisition costs supported by appraisal, developer’s fees, rehabilitation or construction costs within local norms, etc.)? [24 CFR 92.505(a); 24 CFR 85.22 and OMB Circular A-87, Attachment A, Section C.2]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

12.

If HOME funds paid for site improvements were they eligible improvements located on the project site? [24 CFR 92.206(a)(3)(iii)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

E. PROPERTY STANDARDS

13.

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

14.

Do work-write-ups and final inspection reports indicate that the project met all applicable property standards at completion? [24 CFR 92.251(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

15.

Do subsequent PJ inspection reports indicate that the owner is maintaining the housing in compliance with applicable State and local housing quality standards and code requirements or, in the absence of such standards or code requirements, with Housing Voucher Housing Quality Standards as set out in 24 CFR 982.401? [24 CFR 92.251(c)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

16.

If the project involved rehabilitation, does it comply with the lead hazard reduction requirements of Part 35, if applicable? (Complete the appropriate sections of Lead Hazard Monitoring Exhibit 24-1.) [24 CFR 92.355]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

17.

If the project is new construction, does it meet the Model Energy Code? [24 CFR 92.251(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

18.

Does the project meet the applicable Section 504 accessibility requirements? [24 CFR 92.251(a)(3)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

F. INITIAL AND ON-GOING RENT AND OCCUPANCY REQUIREMENTS

19.

Are tenants income-eligible at the time of initial occupancy? [24 CFR 92.252]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

20.

Is the project owner using the correct income limits to determine eligibility of tenants? [24 CFR 92.2, "Low-income family," and 24 CFR 92.252]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

21.

Is the project owner using the same definition of income to qualify all applicants?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

22.

Is income being determined in accordance with the <i>Technical Guide to Determining Income and Allowances for the HOME Program</i> ?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

23.

Are initial tenant incomes determined based upon source documentation? [24 CFR 92.203(a)(1)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

24.

Is the project owner recertifying tenant income annually? [24 CFR 92.252(h)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

25.

a. Are tenant incomes being reexamined using source documentation every 6 th year? (NOTE: This does not apply to projects less than 6 years old.) [24 CFR 92.252(h)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. If the answer to “a” above is “yes,” what is the process used for the tenant income reexamination?
Describe Basis for Conclusion:

26.

Were project targeting requirements met at initial occupancy (i.e., all HOME units occupied by low-income tenants and, if 5 or more HOME-assisted units, 20% of HOME units occupied by tenants below 50% of area median income)? [24 CFR 92.252(a) and (b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

27.

Did the initial project rent structure meet HOME requirements (i.e., rents no greater than the high HOME rents and, in projects with 5 or more HOME-assisted units, at least 20% of HOME units charging rents not higher than the low HOME rent)? [24 CFR 92.252(a) and (b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

28.

Did the project use the established utility allowances to calculate maximum rent levels? [24 CFR 92.252(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

29.

Did the PJ review and approve the project rents? [24 CFR 92.252(c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

30.

If the tenants receive Housing Voucher Choice Program (HVC) assistance, is the total rent charged by the owner (to both the HVC and the tenant) not greater than the maximum allowable HOME rent? [24 CFR 92.252(a) or (b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

31.

If any in-place tenant has an income above 80% of the area median income, is the correct rent being charged to the over-income tenant? [24 CFR 92.252(i)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

32.

Does the owner refrain from discriminating against tenants with rental assistance subsidies? [24 CFR 92.252(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

33.

As tenants vacate low HOME rent units, are they replaced by other tenants with incomes below 50% of Area Median Income? [24 CFR 92.252(i)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

34.

If the income of a tenant in a low HOME rent unit rises above 50% of area median income, is the unit designated as a high HOME rent unit and the next available, comparable unit designated as low HOME rent unit? [24 CFR 92.252(b)(1)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

35.

If the project received Federal or State Project Based Assistance (PBA), is the allowable PBA rent charged only in units occupied by very low income tenants (i.e., income is below 50% of area median income)? [24 CFR 92.252(b)(2)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

36.

In projects where the HOME-assisted units float, when an in-place tenant's income increases above 80% of median income, is the next available, comparable unit made available to a HOME-eligible tenant? [24 CFR 92.252(j)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

37.

Are leases free of all prohibited provisions? [24 CFR 92.253(b)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

38.

Are the leases for a minimum of one year (unless otherwise agreed upon by tenant and owner)? [24 CFR 92.253(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

39.

Does the owner have written tenant selection criteria? [24 CFR 92.253(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

40.

Does the owner follow his/her tenant selection policy? [24 CFR 92.253(d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

G. OTHER PROJECT REQUIREMENTS

41.

Did the PJ enter into a written agreement with the project owner imposing all applicable requirements of Part 92? [24 CFR 92.504(b)(3)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

42.

Was the written agreement executed by the PJ and the project owners 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: 	

43.

Has the PJ recorded a deed restriction on the property to ensure its continued use as affordable rental housing and adherence to all applicable requirements? [24 CFR 92.252(e)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

44.

If HOME funds were used for refinancing of existing debt, did the project meet the refinancing guidelines established in the PJ's consolidated plan? [24 CFR 92.206(b)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

45.

If the project was new construction, did the PJ perform a site and neighborhood standards review in accordance with 24 CFR 983.6(b)? [24 CFR 92.202(b)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

46.

If HOME tenant-based rental assistance was provided in the project, were tenants in place at the time of the rehabilitation? [24 CFR 92.209(c)(3)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

47.

If the project has five or more HOME-assisted units, is it complying with the PJ's affirmative marketing requirements? [24 CFR 92.351]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

48.

a. Was an environmental review completed for the project? (Complete Exhibit 21-1 to answer this question.) [24 CFR 92.352]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

b. Has the PJ complied with flood insurance protection when assistance was used for acquisition or construction (including 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"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

49.

If the project has 12 or more HOME-assisted units, does the file documentation indicate that the PJ applied the Davis Bacon labor standards requirements to the project? [24 CFR 92.354]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

50.

Does the file documentation for each unit contain the following:			
a. Supporting income documentation (for initial eligibility determinations and periodic redeterminations as required in 24 CFR 92.252(h)? [24 CFR 92.508(a)(3)(v)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. Tenant income certifications (as permitted in 24 CFR 92.252(h))? [24 CFR 92.508(a)(3)(v)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. Lead-Based Paint notification? [24 CFR 92.508(a)(3)(iv) and 92.508(a)(7)(vi)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
d. Lease and lease addendum? [24 CFR 92.508(a)(3)(ix)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

H. CONSTRUCTION MANAGEMENT

51.

Did the PJ ensure that its contractors are not excluded, disqualified or otherwise ineligible (e.g., suspension, debarment, or limited denial of participation) for Federal procurement and nonprocurement programs at the time of contract execution or during the period of project work? [24 CFR 92.350(a) and 24 CFR 85.35]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

52.

Were progress inspections of the project performed prior to approving the developer or 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:			

53.

Did the PJ review and approve change orders for any changes in the scope of work? [24 CFR 92.505(a) and 24 CFR 85.36(b)(2) and (f)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

54.

If the project involved rehabilitation, was work performed in accordance with 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:			

55.

Was a final property standards inspection performed? [24 CFR 92.251(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:			

I. ON-SITE INSPECTION (if applicable)

56.

[OS] Does the project appear to meet applicable property standards? [24 CFR 92.251(a) or (c)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

57.

[OS] Was all work detailed in the construction contract complete and consistent with rehabilitation or construction standards? [24 CFR 92.251(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:			

58.

<p>[OS] Was all work documented in the payment request completed? [24 CFR 92.505(a); 24 CFR 85.20(b)(6) and 85.36(b)(2)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			

J. RECORDKEEPING

59.

<p>Does project file document compliance with:</p>			
<p>a. Income targeting? [24 CFR 92.252 and 24 CFR 92.508(a)(3)(vii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>b. Rent requirements? [24 CFR 92.252 and 24 CFR 92.508(a)(3)(vii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>c. Property standards? [24 CFR 92.251 and 24 CFR 92.508(a)(3)(iv)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>d. Lead safety requirements? [24 CFR 92.355 and 24 CFR 92.508(a)(3)(iv) and (a)(7)(vi)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>e. Environmental requirements? (Complete Exhibit 21-1 to answer this question.) [24 CFR 92.352 and 24 CFR 92.508(a)(7)(iii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>f. Labor standards? [24 CFR 92.354 and 24 CFR 92.508(a)(7)(v)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>g. Subsidy limits? [24 CFR 92.205(c); 24 CFR 92.250(a) and 24 CFR 92.508(a)(3)(iii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>h. Subsidy layering? [24 CFR 92.250(b) and 24 CFR 92.508(a)(3)(iii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>i. Eligible Costs? [24 CFR 92.206 and 24 CFR 92.508(a)(3)(ii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>j. Flood insurance protection? (Complete Exhibit 27-1 of this Handbook, "Guide for Review of Flood Insurance Protection.") [24 CFR 92.352 and 24 CFR 92.508(a)(7)(iii)]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			