

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 FEDERAL HOUSING ADMINISTRATION
REQUEST FOR CONSTRUCTION CHANGES - PROJECT MORTGAGES

FHA Form No. 2437
 Re. 11-65
 Form Approved
 Budget Bureau No. 43-R1204

INSTRUCTIONS AND CONDITIONS OF ACCEPTANCE - See reverse side.

Project Name and Location: _____ Request No. _____
 For FHA Use: _____ Project No. _____

Name of Contractor: _____ Name of Mortgagee: _____
 Name of Mortgagee: _____ Date: _____

TO FEDERAL HOUSING ADMINISTRATION: You are requested to consider the following proposed changes in the Project; these changes are satisfactory to the parties hereto, as indicated by the signatures below:

FHA ANALYSIS
 Y Accept O Unacceptable
 (Do not check)

DESCRIPTION OF CHANGES	Net Est. Effect on Cost	Effect on Cost	ARCH.	VAL.
	Plus or Minus	Plus or Minus		
	\$	\$		

DELAY DUE TO THE ABOVE CHANGES: _____ MONTHS

TOTAL NET EFFECT ON CONSTRUCTION COST OF ACCEPTABLE CHANGES: \$ _____

See Statement on reverse side re: Cooperatives, Nonprofit Mortgagees, Etc.

By: _____ (Authorized Official for Contractor)
 By: _____ (Authorized Official for Mortgagee)

NOTE: Certification required where Owner-Architect Agreement 27-9A or C is in effect. **ARCHITECT'S CERTIFICATION:** I certify that I have not rendered any services on this project beyond the fee for my professional services, and that I have no identity of interest with the mortgagee, contractor, or any subcontractor or surety. The changes set forth in this request are in conformity with the intent of the Contract Documents and it is my professional recommendation that the changes be approved.

The total sum of \$ _____ is on deposit with _____ to cover the net increase resulting from acceptable changes pursuant to the conditions of Request No. _____

FEDERAL HOUSING ADMINISTRATION FINDINGS

TO _____ Mortgagee

- (a) Effect on cost of previously accepted changes: \$ _____
1. **MORTGAGOR'S ESTIMATE**
- (b) Net effect on cost to date - All changes: \$ _____ Decrease Increase
2. A. Net effect on construction cost resulting from acceptable changes, if any, indicated herein (FHA Est.): \$ _____
- B. Net effect on construction cost from previous change (FHA Est.): \$ _____
- C. Net effect on construction cost of changes to date (FHA Est.): \$ _____
3. Changes _____ are acceptable and the drawings and specifications are corresponding, amended, provided:
- A. That a total sum of \$ _____ is on deposit with the mortgagee to cover net increase in cost resulting from acceptable changes indicated herein and previous construction changes, if any. This supersedes any previous requirements. The aforesaid sum shall not be released without written consent of FHA prior to final completion and acceptance of the project construction.
- No further advances of the mortgage proceeds under the Building Loan Agreement will be approved unless the total sum is on deposit with you.
- B. That in order to reflect the net decrease in cost or reduction in mortgage based on net income or number of family units, resulting from acceptable changes indicated herein and previous construction changes, if any, the amount of \$ _____ be deducted from the amount entered on the line entitled "Sum of Cost Breakdown Items Plus Inventories of Materials" on subsequent contractors requisitions, Form No. 2448. This amount may be modified by later changes.
- C. Consent of surety to these changes is obtained in writing and signed copy furnished this office prior to effecting the change.
- D. There is compliance with the conditions stated on the reverse side.
4. Changes _____ are not acceptable. For the reasons stated on the reverse side.

MORTGAGE CREDIT	By
	Date

FHA Analysis and Findings Reviewed and Approved: _____ FEDERAL HOUSING ADMINISTRATION

By: _____ (Authorized Official)



REQUEST FOR CONSTRUCTION CHANGES - PROJECT MORTGAGES

INSTRUCTIONS AND CONDITIONS OF ACCEPTANCE

An original and six copies to be submitted to the FHA through the mortgagee. Designate each proposed change by a letter (using a, b, c, d, e and f). Describe each change, including (1) reason, (2) general scope, (3) fully detailed description of work to be omitted and work to be added, for each trade affected, (4) references to any attachments showing the proposed revisions, and (5) the amount by which the construction cost will be increased or decreased as the net result of each proposed change.

When the Owner-Architect agreement 2719B and C are used, attach the written approval or waiver of the design architect to all changes relating to design.

The cost of each change is to be estimated on the basis of current cost of work of items omitted and the current cost of work or items substituted or added. Estimates include job overhead and builder's fee, or job overhead and general overhead, as applied in the FHA estimate of the project. No allowance for "Builder's and Sponsor's Profit and Risk" is included. No Architect's or Engineer's fee is included.

Form 2437 is not used for off-site changes. Submit in writing in same manner as Form 2437.

To be acceptable to FHA a proposed change must be actually due to necessity, or be an appropriate betterment, or qualify as an equivalent. In accepting any changes it is assumed that they will be executed. If an accepted change is not executed, it must be nullified by substituting a Request For Construction Changes amending the drawings and specifications so as to restore the drawings and specifications to the status existing prior to acceptance of the change or to a status acceptable to FHA.

Conditions of Acceptance and/or Reasons for Unacceptability:

- 1. When the FHA estimated cost of all accepted changes results in a net decrease in the total construction cost the insurable mortgage will be similarly decreased, but if the net effect is an increase the additional costs will be defrayed by the mortgagor. The acceptance of any change or changes involving a net increase does not increase the mortgage amount.

The following is required on Requests in connection with Management or Sales Type Cooperatives and Projects involving non-profit mortgages WITH RESPECT TO ANY NET INCREASE OR DECREASE IN COSTS RESULTING FROM ACCEPTABLE CHANGES INDICATED HEREWITH AND PREVIOUS CONSTRUCTION CHANGES, IF ANY (CHECK APPROPRIATE PROVISION):

The undersigned contractor hereby agrees to assume any additional costs and agrees that he will not assert any claim against the Mortgagor in connection therewith.

The undersigned Mortgagor, acting pursuant to a resolution adopted at a meeting of its stockholders or members, and the undersigned Contractor, hereby agree to the above described construction changes and hereby agree that the construction contract executed by them under date of _____ is amended by increasing the contract price of \$ _____ set forth in Article 3 thereof to \$ _____ all other provisions of said Construction Contract to remain unchanged.

The undersigned Mortgagor and the undersigned Contractor hereby agree to the above described construction changes and hereby agree that the construction contract executed by them under date of _____ is amended by decreasing the contract price of \$ _____ set forth in Article 3 thereof to \$ _____ all other provisions of said construction contract to remain unchanged.

By _____ Authorized Official for Contractor

By _____ Authorized Official for Mortgagor

GPO 200-574