

FIELD OFFICE WORKSHEETS

A. Field Office Certification

B. Least Cost Worksheet

OAP
CILP

C. Project Summary

OAP
CILP

D. Checklist for Evaluation of the Flexible Subsidy Application

E. Project Evaluation

1

5/92

Appendix 14A
4355.1

FIELD OFFICE CERTIFICATION

Project Name:

Project Number:

I recommend that the referenced project be considered for funding. I further certify that the use of Operating Assistance or CILP under the Flexible Subsidy program for the referenced project falls within the statutory guidance, i.e., the project is troubled and that Operating Assistance or CILP is necessary to restore the project to physical and financial stability, and that its use together with other available resources will be less costly to the federal government than other reasonable alternatives by which the secretary could maintain the low- and moderate-income character of the project. If the project has received Operating Assistance in the past, I certify that amounts requested do not include previously funded items. Further, I certify that:

1. The latest review of the project identified all physical, financial and management needs of the project.
2. All physical and financial problems of the project will be corrected by the infusion of Operating Assistance.
3. At least the required 25 percent owner contribution for limited-dividend sponsors will be made during the Operating Assistance or CILP year.
4. Repair specifications have been made and are adequate.
5. Required competitive bidding procedures will be followed.
6. Adequate management will be in place.
7. The Annual Financial Statement and other reporting requirements (Excess Income, etc.) have been met.
8. Any outstanding audit findings have been closed or will be closed.

interest less reserve balances)

2. Estimated cost of foreclosure

Acquisition cost	\$ _____	
Repair/replacement costs	\$ _____	
Holding costs* (12 months)	\$ _____	
Cost of Property Disposition Set Aside	\$ _____	
Total		\$ _____

Less: Estimated Sale Price** \$ _____

Recaptured interest reduction funds	\$ _____	
Total		\$ _____

Total Cost of Non-OAP Option \$ _____

* Net of any rental income.

** Best ballpark estimate.

3

form HUD-9616 (5/92)

Appendix 14B
4355.1

LEAST COST WORKSHEET

CAPITAL IMPROVEMENT LOAN PROGRAM (CILP)
(for non-Plan of Action Projects only)

Project Name _____ Project No. _____

A. Cost of CILP Option

1. Estimated cost of physical needs \$ _____

2. Less: Funds from alternative sources

Other loans, grants, etc.	\$ _____	
Owners contribution	\$ _____	
Total		\$ _____

Total Cost of CILP \$ _____

B. Cost of Non-CILP Option

1. Estimated cost of mortgage assignment
(unpaid principal balance and accrued
interest less reserve balances) \$ _____

2. Estimated cost of foreclosure

Acquisition cost	\$ _____	
Repair/replacement costs	\$ _____	
Holding costs* (12 months)	\$ _____	

Cost of Property Disposition	\$ _____	
Set Aside		
Total		\$ _____
Less: Estimated Sale Price**		\$ _____
Recaptured interest reduction		
funds	\$ _____	
Total	\$ _____	
Total Cost of Non-CILP Option		\$ _____

* Net of any rental income.

** Best ballpark estimate.

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4

Appendix 14C
4355.1

OPERATING ASSISTANCE PROGRAM

PROJECT SUMMARY

Field Office _____

Project Name _____

Project No. _____

Part I

1. Total Requested Operating Assistance Loan \$ _____
- A. Amount necessary to correct physical deficiencies that existed when the owner applied for OA. \$ _____
- B. Amount necessary to meet cost effective energy efficiency standards. \$ _____
- C. Amount necessary to comply with HUD's standards for accessibility to individuals with handicaps. \$ _____
- D. Amount necessary to replenish replacement reserves. \$ _____
- E. Amount necessary to cover operating deficits. \$ _____

Part II

1. Remaining balance of present mortgage \$ _____
2. Operating Assistance loan as percent of remaining balance (loan amount divided by remaining balance) \$ _____

Part III

- 1. Cash contributions by owner \$_____
- 2. Contributions from reserve accounts
- 3. Contributions as percent of total loan
- 4. Interest rate of loan as determined by Field Office %_____

5

form HUD-9617 (5/92)

Appendix 14C
4355.1

Part IV

The project is eligible for incentives under a Plan of Action

_____ Yes

_____ No

Chief, Loan Management Branch

(Date)

Director, Housing Management Division

(Date)

form HUD-9617 (5/92)

6

Appendix 14C
4355.1

CAPITAL IMPROVEMENT LOAN PROGRAM

PROJECT SUMMARY

Field Office _____

Project Name _____

Project No. _____

Part I

1. Total Requested Capital Improvement Loan \$_____

A. Amount necessary for capital items that have failed,
or are likely to fail or deteriorate seriously
within 24 months. \$_____

B. Amount necessary to upgrade capital items to meet

cost effective energy efficiency standards. \$_____

C. Amount necessary to comply with HUD's standards for accessibility to individuals with handicaps. \$_____

D. Amount necessary to cover lead-based paint abatement. \$_____

Part II

1. Remaining balance of present mortgage \$_____

2. Operating Assistance loan as percent of remaining balance (loan amount divided by remaining balance) \$_____

Part III

1. Cash contributions by owner \$_____

2. Contributions from reserve accounts \$_____

3. Contributions as percent of total loan %_____

4. Interest rate of loan as determined by Field Office %_____

Appendix 14C
4355.1

Part IV

The project is eligible for incentives under a Plan of Action

_____ Yes _____ No

Chief, Loan Management Branch (Date)

Director, Housing Management Division (Date)

CHECKLIST FOR EVALUATION OF THE FLEXIBLE SUBSIDY APPLICATION

Project Name _____

Project No. _____ (Includes appropriate suffixes)

1. The project meets the eligibility criteria of 24 CFR 219.105

_____ Yes

_____ No (explain)

2. The capital improvement items in the application meet the eligibility criteria set forth in 24 CFR 219.205 for Operating Assistance, or 219.305 for CILP.

_____ Yes

_____ No (explain)

3. The owner has submitted a Form [HUD-2530](#), Previous Participation Certificate, for all principals requiring clearance under these procedures and there are no outstanding findings of noncompliance by any of the principals.

_____ Yes

_____ No (explain)

4. The present mortgage is:

_____ Current and insured

_____ In default (explain)

_____ HUD-held (explain)

5. The owner, where required, has agreed to contribute cash as part of the funding package.

_____ Yes

_____ No (explain)

6. The project's existing reserve balances are not sufficient to meet its needs. For HFA projects, the Chief Executive Officer must provide certification of this, as described in Paragraph 3-27 of Handbook 4355.1.

_____ Yes

_____ No (explain)

7. The applicable reserve balances are:

_____ More than \$1,000 per unit. Indicate amount per unit.

_____ \$1,000 per unit or less. Indicate amount per unit.

8. The owner is proposing to use funds from sources other than cash or loan proceeds, such as loans or grants for energy efficiency.

_____ Yes (explain)

_____ No

9. Fiscal or property maintenance violations of the Regulatory Agreement exist.

_____ Yes (explain)

_____ No

10. The most recent management review was:

_____ Satisfactory (or above)

_____ Marginally satisfactory (explain)

_____ Unsatisfactory (explain)

Date of Review: _____

11. The annual percentage increase in rent is needed to accommodate the loan is:

_____ None

_____ 10 percent or less (state percentage)

_____ More than 10 percent (explain)

12. The structural and management improvement items in the application address the Department's standards in 24 CFR Part 8, accessibility to individuals with handicaps, to the maximum extent feasible, as defined in the regulations.

_____ Yes (explain)

_____ No (explain)

13. The Office has completed the required Environmental Review and the project meets the requirements (Form HUD-4128.1 attached). There are no Section 106 Historic Preservation issues or 100-year flood plain issues that would prohibit funding of the application.

_____ No issues exist.

_____ Yes, issues do exist (explain)

14. The proposed actions, when considered with other available resources, will restore or maintain the physical and fiscal soundness of the project, and maintain the low- and moderate-income character of the project.

_____ Yes (explain)

_____ No (explain)

15. The owner has agreed to execute and record a Use Agreement that will require the owner to maintain the low- and moderate-income character of the project for a period at least equal to the remaining term of the project mortgage.

_____ Yes

_____ No (explain)

16. The proposed actions will be less costly to the federal government over the useful life of the project than other reasonable alternatives by which the secretary could maintain its low- and moderate-income character.

_____ Yes (explain)

_____ No (explain)

17. The appropriate officials of local government have been consulted and their comments have been considered in the review process.

_____ Yes

_____ No (explain)

18. An on-site inspection of the project has been conducted and the proposed structural improvements reflect a strategy to make the project physically sound.

_____ Yes

_____ No (explain)

19. The management of the project is being conducted by people who meet the PHA's/HFA's standards for professional competence and experience.

_____ Yes

_____ No (explain)

20. The loan funds, when used in conjunction with other available resources, are necessary and will restore and maintain the physical and fiscal soundness of the project and maintain its low- and moderate-income character.

_____ Yes

_____ No (explain)

21. The items included in the application meet cost-effective energy efficiency standards approved by HUD to the maximum extent feasible.

_____ Yes

_____ No (explain)

22. The estimated annual savings in operating expenses due to the implementation of energy conservation measures is:

_____ (explain fully)

23. If applicable, a review has been performed to assure that the project is in compliance with the lead-based paint testing and abatement requirements as established in Chapter 19 of Handbook 4350.1.

_____ Yes

_____ No

_____ Not Applicable

Recommendation: Application is:

_____ Approvable

_____ Approvable with Modifications (explain)

_____ Not Approvable (explain)

Loan Servicer _____
Date

Loan Management Branch Chief _____
Date

Director, Housing Management Division _____
Date

PROJECT EVALUATION

Office: _____

PART I -- DESCRIPTION HIGHLIGHTS

Project Name: _____ Number: _____

Project Type: Insured SHM Non-Ins
Section of Act: _____ Sponsor: LD NP PM

Project identified as Troubled? (Y/N)____ Potentially Troubled? (Y/N)____
Is resident displacement likely? (Y/N)

PART II -- ASSISTANCE SUMMARY

	Owner APPLICATION	Field RECOMMENDATION
Operating Assistance:		
Emergency Health and Safety Items	\$ _____	\$ _____
Non-Emergency Items	\$ _____	\$ _____
Total MIO OA Needs	\$ _____	\$ _____
(Owner Contribution)	(_____)	(_____)
(Other Contributions)	(_____)	(_____)
Total OA Requested	\$ _____	\$ _____
Capital Improvement Assistance:		
Emergency Health and Safety Items	\$ _____	\$ _____
Non-Emergency Items	\$ _____	\$ _____
Total CILP Need	\$ _____	\$ _____
(Owner Contribution)	(_____)	(_____)
(Other Contributions)	(_____)	(_____)
Total CILP Requested	\$ _____	\$ _____
TOTAL FLEX ASSISTANCE RECOMMENDED:	\$ _____	Category: _____

PART III -- DETAIL OF EMERGENCY HEALTH AND SAFETY NEEDS

Action			
Item No.	Dollar Amount	Item Description	Justification as Emergency

Total Emergency Health and safety			
Operating Assistance:	\$ _____		Percent _____
Capital Improvement:	\$ _____		Percent _____

PART IV -- DETAIL OF FIELD RECOMMENDED DISALLOWANCES

Action			
Item No.	Dollar Amount	Item Description	Reason

Total Recommended Disallowed Amount: \$ _____

_____ Chief, Loan Management Branch	_____ Director, Housing Management Division
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