**Lender’s Architectural Reviewer and**

**Cost Analyst’s Statement of Work**

Section 232 – New Construction, Substantial Rehabilitation, and 241(a)

**REVIEW PHASE**

* Firm Application
* Initial Closing
  + 1. TECHNICAL QUALIFICATIONS
       1. Lender’s Architectural Reviewer
          1. The Lender’s Architectural Reviewer must have experience with construction within the healthcare field. The Reviewer must be knowledgeable and experienced with local building standards and construction methods for the type of project proposed, including the Federal Fair Housing Accessibility Guidelines, and the Uniform Federal Accessibility Standards. The Architectural Reviewer is preferably a registered architect or engineer. However, persons with a degree in architecture or engineering with three years of experience in their respective field may also provide this service. Additionally, individuals with experience as a construction manager, estimator, general superintendent of construction, draftsperson, degree in building construction, may also qualify to provide architectural services.
          2. The Architectural Reviewer may also serve as the Cost Analyst if the qualifications are met.
       2. Lender’s Cost Analyst
          1. The Lender shall hire a qualified construction cost estimator with experience within the healthcare field. The estimator must be knowledgeable and experienced with local building standards and construction costs for the type of project proposed.
          2. The Cost Analyst may also serve as the Architectural Reviewer if the qualifications are met.
       3. Contractual Requirements

The contract must be with either a sole proprietor or a firm with an identified individual. Either a single firm or an affiliated group of firms is acceptable, as long as they represent all the essential disciplines necessary to perform the required work.

* + 1. TYPES OF SUBSTANTIAL REHABILITATION

Substantial rehabilitation can encompass a wide range of renovations – from “gut” rehabilitations that replace or newly construct nearly everything, to replacements and renovations that barely exceed the substantial rehabilitation threshold.

* + - 1. In the case of a “gut” rehabilitation, the architectural review and cost analysis will be extremely similar to new construction
      2. As the scope of rehabilitation narrows (fewer replacements and fewer areas are involved), the architectural review and cost analysis will become a blending of new construction and PCNA requirements. For instance, the necessity of providing a replacement reserve analysis increases as fewer elements are replaced. In lieu of requiring the total replacement of elements expiring within the next 5 years, a replacement reserve analysis prepared in accordance with the Section 232/223(f) Statement of Work for Project Capital Needs Assessment can be provided to determine an appropriate initial and annual deposit to the replacement reserve.
      3. In the case of a “refinance with an addition” that qualifies for substantial rehabilitation, a full PCNA is required in addition to the architectural review and cost analysis.
    1. GENERAL RESPONSIBILITIES
       1. Lender’s Architectural Reviewer
          1. Reviews Borrower’s required architectural services, and determines that Borrower’s Architect (or other persons or organizations providing architectural services) is qualified to provide the design services to the project and administer the construction contract. **See Exhibit C, attached**.
          2. Determines that the project design complies with the Minimum Property Standards, local codes, all applicable accessibility requirements, and HUD design standards.
          3. Reviews Design Architect’s Certification, form HUD-91124-ORCF, to confirm the project design complies with the Minimum Property Standards, all applicable local codes and ordinances, Fair Housing Act accessibility requirements, and HUD standards.
          4. Determines that the Borrower’s Architect’s liability insurance, ***which shall be commensurate with industry standards***, will be maintained up through acceptance of the 12-month warranty inspection.
       2. Lender’s Cost Analyst
          1. The cost estimator shall provide an independent cost analysis for the proposed project. While this estimate is not limited to any one specific method, a detailed Cost Estimate shall be summarized on Form HUD-92326. The method chosen must be one recognized by the construction industry. This detailed cost estimate must conform to HUD's line item format as shown on [Form HUD-2328, Contractor's and/or Borrower's Cost Breakdown](http://www.hud.gov/offices/adm/hudclips/forms/files/2328.pdf).
          2. Method of Estimation. The method should be similar to that used by general contractors. Data should be organized by trade division using the Construction Specification Index (CSI) Format, and adjusted to reflect cost differences due to time, location and price fluctuations. The cost estimate may be prepared using a quantity survey takeoff or a square-foot and per-unit cost approach using established data and making adjustments.
          3. Data. The data source used to prepare the cost estimate must be documented. Acceptable cost data may come from completed comparable projects, benchmark amounts taken from actual project costs, and published data from construction cost data publishers.
          4. Detailed Cost Estimates. Use detailed plans and specifications supplied by Lender’s Architectural Reviewer as a basis for the cost estimate. Estimates must reflect the general level of construction costs in the locality where construction takes place. Costs must be projected to the estimated construction start date. Davis-Bacon labor wage rates must be used, as applicable. The cost estimate shall be tabulated on Form HUD-92326.
    2. DETAILED RESPONSIBILITIES
       1. Lender’s Architectural Reviewer’s Duties: Firm Application
          1. Review the Borrower’s Construction and Architectural Documents for compliance with local code and HUD requirements, and complete the Lender’s Architectural Reviewer’s Review Report, Exhibit A, attached.

Drawings and specifications must be complete and correct.

Acceptable evidence must be provided that the project has or will have necessary utility services and pedestrian and vehicular access.

Adequate assurance of continuing service by local utility companies and/or local public authorities, or

Construction documents and contract for completion by Borrower’s contractor.

Accessibility for Persons with Disabilities: the Fair Housing Accessibility Guidelines (FHAG), and Section 504 and the Uniform Federal Accessibility Standards (UFAS).  
  
As a part of processing and commitment, the Lender’s Architectural Reviewer will review construction documents for covered multifamily dwellings pursuant to the MPS (HUD Handbook 4910.1), and the Fair Housing Accessibility Guidelines (the Guidelines). The Guidelines provide minimum accessibility standards. The FHAG are found at <http://www.hud.gov/offices/fheo/disabilities/fhefhag.cfm> . Additional material may be found in the Fair Housing Act Design Manual. The UFAS are found at <http://www.access-board.gov/ufas/ufas-html/ufas.htm>

FHAG.

All residential buildings which have four or more units and which are built for first occupancy after March 13, 1991 (aka “covered multifamily dwellings”), must be designed and constructed to have at least one building entrance on an accessible route, unless it is impracticable to do so because of terrain or unusual site characteristics. Such dwellings must provide for accessibility in all common and public areas. In addition, certain accessibility requirements must be included in all of the dwelling units in buildings with elevators, and in all of the ground floor dwelling units in buildings without elevators. See the Guidelines referenced above for more details.

UFAS: Skilled Nursing and Intermediate Care Facilities

Accessibility for the mobility impaired must be provided for 100 percent of resident bedrooms and toilet rooms, public use spaces (primary entrances, elevators, etc.) and common use spaces (community rooms, dining rooms, etc.).

Accessibility for the vision or hearing impaired must be provided for:

* two (2) percent of the resident bedrooms but not less than 1 unit;
* all public use facilities; and
* not less than one each of common use facilities.

UFAS: Board and Care Facilities and Assisted Living Facilities

Accessibility for the mobility impaired must be provided for 100 percent of the public areas, common use areas, and residential accommodations, except that the following applies to residential accommodation kitchens:

* Ten percent of kitchens included for independent living units and other residential accommodations must comply with UFAS provisions for residential kitchens, except:
* A 30-inch wide counter work area with clear knee space (in addition to the sink area with clear knee space) is not required where a galley kitchenette (manufactured compact or site assembled components) of 6 or fewer feet is used, and
* A pullout bread board work surface is provided in lieu of the counter work area with clear knee space beneath.
* Full compliance with UFAS is required where kitchen facilities exceed a 6-foot galley kitchenette.
* The balance of the kitchens included for independent living units and other residential accommodations must comply with UFAS provisions for residential kitchens, except:
* A 30-inch wide clear knee space is not required at either the sink or for a separate work area, where a galley kitchenette (manufactured or site assembled components) of 5 or fewer feet is used, and
* Kitchenette counter tops need not be 34 inches high or adaptable.
* Comply with item a. above, where accommodation kitchen facilities exceed a 5-foot galley kitchenette.
* Accessibility for the vision and hearing impaired must be provided for:
* two (2) percent of the resident bedrooms but not less than 1 unit;
* all public use facilities; and
* not less than one each of common use facilities.

d. For existing or proposed Aboveground Storage Tanks (AST) containing hazardous substances of an explosive or fire prone nature, located on-site or directly visible from the site:

(1) Acceptable separation distance (ASD) calculations are required. An [Acceptable Separation Distance Calculator](https://www.hudexchange.info/programs/environmental-review/asd-calculator/) can be found online.

(2) When residential density will be increased, confirm that AST(s) are in compliance with the regulations at 24 CFR 51C and include mitigation when a tank does not meet the Acceptable Separation Distance (ASD). [HUD Guidance - Explosive and Flammable Hazards](https://www.onecpd.info/environmental-review/explosive-and-flammable-facilities) can be found online. For assistance with barrier design, contact Nelson Rivera, HUD's Hazardous Operations Specialist, at [Nelson.A.Rivera@hud.gov](mailto:Nelson.A.Rivera@hud.gov), (202) 708-4225 Ext. 4455.

(3) Applicability:

(a) Containers with a capacity of 100 gallons or less when they store common liquid industrial fuels, such as gasoline, fuel oil, kerosene, diesel fuel and crude oil are exempt.

(b) Underground storage tanks are exempt.

(c) Aboveground tanks of any size that store propane are not exempt.

(d) Portable (non-stationary) aboveground storage tanks are exempt.

e. Radon. Project must comply with requirements found in HUD Handbook 4232.1 Rev.1, Section II – Production, Chapter 7 – Environmental Review, 7.8 Radon.

* + - * 1. Visit the site and prepare a written report:

For all projects, report on the physical aspects of on-site and offsite features.

Observe physical features such as existing construction, topography, soil conditions, drainage, vegetation, etc.

Include unusual site conditions, determined with the assistance from the Lender’s Appraiser, and necessary demolition and offsite construction.

Review HUD environmental conditions and comment on those that affect the proposal.

On substantial rehabilitation projects, the inspection must be thorough and include:

All features of the project site; buildings and improvements, utilities, roads and parking, underground storage tanks, and surroundings.

Sufficient living units to ascertain all necessary rehabilitation. This may range from selected typical units to all units depending on physical conditions.

On the portions of the project that will not be included in the substantial rehabilitation, we need a replacement reserve schedule

* + - * 1. Provide architectural liaison services with the Borrower’s Architect.
        2. Maintain a processing record of all architectural/engineering actions.

File all forms, reports, decisions, and documents relevant to architectural actions in chronological order.

Record all architectural actions, counteractions by others, or actions that may affect design or construction.

Record the receipt of forms and documents, the issuance of letters and memoranda, the completion of forms and worksheets, contacts with the Architect, etc.

Log and briefly describe contacts, including telephone calls, with the Architect.

Keep journal of architectural actions. Include:

Reports of site visit (including technical specialists if made).

Drawings and specifications identified and dated. (If filed elsewhere, reference in journal.)

AIA Owner-Architect Agreement, including HUD Amendment (form HUD-92408-M)

Data used to process. (If filed elsewhere, reference in journal.)

Liaison meetings and telephone calls with Architect (Remarks in journal or notes).

Letters, memoranda, notes and worksheets.

Soil borings report or other soil exploration data.

Firm Commitment.

* + - * 1. Guide and assist the Borrower’s Architect during design development to expedite orderly processing and avoid delays.

Assure that the Architect is licensed to practice within the State where the project is to be constructed.

Assure that the Architect and the Borrower execute AIA Document B108, including HUD Amendment to AIA Document B108, form HUD-92408-ORCF.

Provide the Architect a copy of applicable HUD program Handbook(s), HUD Minimum Property Standards (MPS) (Handbook 4910.1), and other applicable guides and publications, including reference material for all applicable accessibility laws, especially the Fair Housing Act Design Manual.

Discuss with Architect:

Lender procedures;

HUD procedures;

Architect's responsibilities.

Discuss with Architect any available housing design data and all HUD-developed or industry norms which are applicable and beneficial to the project.

Review drawings and specifications during design development and identify questionable design concepts, elements or deficiencies early to avoid costly revisions at advanced stages of exhibit development. Special attention should be paid to accessibility for persons with disabilities. Because no accessibility review is done at the 2-Stage - Initial Submission, it is entirely the responsibility of the Architect to produce a building and site design at Firm stage that fully conforms to all applicable accessibility laws.

* + - * 1. Request assistance by the Technical Specialist, e.g., engineers, when necessary.

Review and use the Technical Specialist's Report.

Furnish the Architect with consolidated design requirements, including recommendations or requirements of Technical Specialists, including any Phase I ESA recommendations, involving abatement (e.g. asbestos removal) or remediation (mold, USTs, etc.), .

* + - * 1. Work with Lender’s Cost Analyst to assure that project costs will fall within the established budget, and evaluate appropriateness of type of structure, construction methods and materials considering initial costs and future maintenance.
        2. Report any deviations from accepted concepts or HUD requirements which cannot be resolved with the Borrower’s Architect to the Lender’s underwriter.
        3. Be aware of design development progress in relation to established target dates and inform the Lender’s underwriter of possible or actual delays or problems.
        4. Review architectural/engineering exhibits submitted with the Firm Commitment application, and assure exhibits are as agreed to during design development, and comply with all HUD standards and criteria.
        5. Furnish information to the Lender’s Cost Analyst as to the scope of the Architect's work as a basis for the estimation of the Architect's fee.
        6. Assure that drawings and specifications are complete and ready to build, prior to submission of a Firm Commitment application to HUD. The plans and specifications should not include any amendments or addenda at Firm stage. Any addenda submitted between Firm submission and Initial Closing must be approved and accepted by HUD. HUD will allow deferred submittals for truss details, fire alarm systems and fire suppression systems. At Firm submission, performance specifications will be sufficient, with shop drawings to follow during construction.
        7. Review experience and qualifications of general contractor.
        8. Consult with Technical Specialists. While the Lender’s Architectural Reviewer should report obvious errors or omissions (such as a lack of dimension to show the depth of a footing below grade) to the Borrower’s Architect, the Analyst is not required to review, nor is the Analyst responsible for, the accuracy of structural dimensions or other details that would require a professional structural review. When the Analyst determines engineering review, advice and guidance on specific projects or problems is required, they should request the services of the appropriate engineers (mechanical, structural, sanitary, site, etc.).
        9. Negotiations.

The Lender’s Architectural Reviewer provides guidance to the Borrower’s Architect. The Lender’s Architectural Analyst will request the assistance of the Lender if the Architect is reluctant to follow such guidance.

Suggestions for improvement or betterment should not be pursued if unacceptable to the Borrower.

HUD mandatory standards and criteria may not be modified or waived.

Report to the Lender’s underwriter when resolution is not possible.

Recommend rejection only if the design fails to comply with prescribed requirements, laws, ordinances or restrictions, or is inadequate in some major respect.

Request intervention and assistance, describing the deficiency or inadequacy that the Architect and/or sponsor are unwilling or unable to correct.

* + - * 1. Review Contractor’s Construction Schedule of the Work, per AIA A201, General Conditions.
      1. Lender’s Architectural Reviewer’s Duties: Initial Closing
         1. If the Plans and Specifications were incomplete at the Firm Commitment review stage, update Exhibit A and Exhibit B, to confirm the Plans and Specifications are 100% complete, and ready for construction.
         2. Drawings and Specifications may be amended by addendum when the change(s) will have no effect on cost or value.

Addenda must clearly state or show the change with specific reference to the location of the item on the drawings or in the specifications.

Amendments shall be clearly noted and dated.

Addenda are not to be used to correct errors noted during firm commitment processing.

* + - 1. Lender’s Cost Analyst’s Duties – Detailed Cost Estimates, Comparison with Contractor’s Cost Estimates, and Prior Approval of Identity of Interest Subcontractors: Firm Application

The Lender’s Cost Analyst shall use the most current Davis Bacon wage rate schedule. A current wage decision can be found at: <http://www.wdol.gov/>.

* + - * 1. Detailed Cost Estimates - Structures and Land Improvements include:

Main Building. Costs of all residential buildings including footings and foundations shall be summarized on the Form HUD-92326. Trade item costs, used to establish the Main Building Cost, must be organized in the Construction Specification Index (CSI) trade item format.

Garages include all covered parking, from individual carports to complete parking structures. Include free-standing garage structures with other accessory buildings in the Other Buildings line of the Form HUD-92326.

Exception: Where a garage structure serves as a base for the dwelling structure (common practice in high-rise reinforced-concrete buildings), include the garage trades with the Main Building trade items; do not report separately on Other Buildings line.

Accessory buildings. Include costs in the Other Building line on Form HUD-92326.

Exception: Where accessory uses are not placed in a separate building but rather occupy space within the residential structure(s), include the spaces within the Main Building trade items; do not report separately on the Other Buildings line.

Community structures include non-residential uses intended for all project residents but not open to nonresidents. These include clubhouses, meeting halls, exercise rooms, etc.

Commercial structures include non-residential, commercial uses that derive their income from both project residents and the general public.

Total Land Improvements, documented on Form HUD-92326, make up the following trade line items on Form HUD-2328: Earthwork, Site Utilities, Roads and Walks, Site Improvements, Lawns and Planting, and Unusual Site Conditions.

Unusual Land Improvements are items not typical to most construction in the locality, such as excessive excavation, rock excavation, cuts and fills, special foundations, high water table, problem soils, etc. The Lender’s Cost Analyst works with the Appraiser to determine existence of condition.

Other Land Improvements are typical site work items. They are taken from the other 5 Land Improvement trade line items on Form HUD-2328.

* + - * 1. Detailed Cost Estimates - Supplemental Cost Estimates include:

Demolition. This is onsite work to remove existing structure, footings, foundations, and utilities to prepare the site for new construction.

Include the removal and disposal of debris and fill and compaction of excavations. Include general contractors and subcontractor’s overhead and profit in the estimate.

Document on Form HUD-92326. Appraiser will use this information as well.

Demolition should not be included in the construction contract.

Offsite requirements are improvements which serve the project but are outside the property lines.

Include utilities, walks, curbs, gutters, streets, drainage structures, landscaping, etc., that extend away from the project site. These improvements are not included in the construction contract, but would require an additional construction contract for completion.

Do not include extensions of utilities, walks, curbs and drainage structures beyond the property lines to connect with those adjacent to the project site. Consider these short extensions and improvements such as sidewalks and curbs adjacent to the property lines, as on-site improvements, and included in Total Land Improvements on Form HUD-92326, as well as in the construction contract.

* + - * 1. Detailed Cost Estimates - Allowances and Fees are documented on Form HUD-92326 as lump sum dollar amounts. Depending upon data, they may be calculated either as lump sums, or as percentages of subtotals which are then converted to dollar amounts.

**General Requirements (Job Overhead**). Covers project-specific overhead expenses. Calculate as a percentage of the sum of Total Land Improvements and Total structures. Percentage amount is determined by the nature, difficulty and size of the project, and the characteristics of the neighborhood. The contractor shall provide a detailed cost breakdown of the items included in the general requirements on all projects.

Include:

Supervision and job-site engineering;

On-site job office expenses directly related to the project including clerical wages;

Temporary buildings, tool sheds, shops, and toilets;

Temporary heat, water, light and power for construction;

Temporary walkways, fences, roads, siding and docking facilities, sidewalk and street rental;

Construction equipment rental not included in trade item costs;

Cleanup and disposal of construction debris;

Medical and first aid supplies and temporary facilities;

Security guard wages and related costs, and theft and vandalism insurance.

Do not include salaries of owners, partners, or officers of the general contracting firm when they visit the site. This is included in Builder’s General Overhead. The only exception would be actual work done on the job by these individuals in a trade capacity, as laborers or supervisors.

**Builder’s General Overhead**. Covers contractor’s head office and general business expenses. Amount is fixed at 2 percent of the sum of Total Land Improvements, Total Structures, and General Requirements.

**Builder’s Profit**. Calculate as a percentage of the sum of Total Land Improvements, Total Structures, and General Requirements. Percentage amount is determined by the nature and location of the project.

**Architect’s Fees**. Source is Owner-Architect Agreement, AIA Form B108, to be provided to Lender’s Cost Analyst. In the event of multiple prime contracts (e.g. engineers), a summation of Architect’s Design Fees and Architect’s Supervisory Fees shall be documented on Form HUD-92326. The Lender’s Cost Analyst shall document architect’s fees and compare with existing fee data to determine reasonableness. The Lender’s Cost Analyst shall inform the Lender if fees are significantly different from the data range. Architect’s Design and Supervision Fees equate as a percentage of the sum of Total Land Improvements, Total Structures, General Requirements, Builder’s General Overhead, and Builder’s Profit; but must be shown as lump sum amounts on Form HUD-92326.

Architect’s Design Fee covers preparation of all construction documents (working drawings and specifications) up to start of construction. Typically 75 to 80 percent of total.

Architect’s Supervision Fee covers Architect’s construction inspections, reports, and preparation of change order requests. Typically 20 to 25 percent of total. Supervision of the project shall be completed on an as needed basis as described in the B108, however, it is highly recommended that the architect shall inspect at a minimum 2 times per month, and more frequently when the need arises. Additionally, the supervisory fee includes the 9 and 12 month inspection services.

**Bond Premium** covers Performance Bond. Used to ensure completion of construction in event of a default by the general contractor. Bonding company determines applicable rate by the nature and location of the project and the contractor’s history. An irrevocable Letter of Credit may be used in lieu of a Performance Bond, provided it is unconditional, valid and collectable and issue by a banking institution.

**Other Fees** are costs of various required items and services. They can vary greatly from community to community. They can be paid either by the Borrower or the general contractor. The Borrower may submit an itemized list with costs as an aid to the Lender’s Cost Analyst. Both Contractor’s Other Fees, as well as Borrower’s Other Fees are documented on Form HUD-92326. Examples of Other Fees include:

Site and topographic surveys;

Subsurface exploration (test borings);

Soil tests, concrete tests, and other construction testing;

Fees for utility taps and connections;

Building permits and licenses;

Builder’s Risk Insurance (when paid by the contractor);

General Contractor’s cost certification audit fee (if required).

NOTE: The Borrower’s cost certification audit fee is not to be included in the Borrower’s Other Fees. It is reported separately in the Lender’s underwriting.

* + - * 1. Detailed Cost Estimates - Major Movable Equipment

Include large furniture and equipment with relatively fixed location, but capable of being moved. Examples: wheeled equipment, office machines (computers, copiers, fax machines), hospital beds and mattresses, tables, etc.

Do not include any motorized vehicles, such as trucks, vans, automobiles, or golf carts. These are not mortgagable items.

Do not include Minor Equipment and Supplies. Expendable nonrealty items of small individual cost. Examples: china and flatware, utensils and instruments, linens, etc.

The Borrower submits a schedule of Major Movable Equipment and estimated cost of each item. ***(For rehabilitation projects, the list must include existing equipment with each item’s remaining useful life and cost to replace.)***

Check items for acceptability as Major Movable Equipment.

Estimate costs, including delivery, placement, and tax.

Compare estimate with Borrower’s budget. Accept Borrower’s estimate if reasonable.

Provide bottom line estimate, and document at the end of Form HUD-92326. Attach copy of accepted or modified schedule.

* + - * 1. Construction Time. Measured in months, varies depending upon size, complexity, location, and type of construction. Estimate construction time through examination of data. Document construction time at the end of Form HUD-92326.
        2. Resolve Differences Between Lender’s Cost Analyst’s and Contractor’s Cost Estimates. Before the Firm application can be submitted for HUD review, there must be a general agreement between the construction cost estimates prepared by the general contractor and the Lender’s Cost Analyst. The Lender’s Cost Analyst is responsible for resolving major differences between the two estimates. When the two estimates generally agree, the Lender may use the contractor's cost figures as shown on Form HUD-2328 as its cost estimate. The Lender’s Cost Analyst will use the following review procedure:

Prepare trade line item comparison of Lender’s Cost Analyst’s and contractor’s cost estimates.

For multiple-structure type projects, a separate HUD-2328 must be submitted for each structure type, and a master HUD-2328 for the entire project.

Calculate and list line item percentage differences. (HUD Form 2331-B is recommended)

Review trade line item differences and note all variations beyond normal ranges. The range of trade line item differences varies from trade to trade. Major trades (e.g. engineers, carpentry) should have a smaller range difference than minor trades (e.g. sheet metal). The Lender’s Cost Analyst should judge the variations based on established data.

Front-end Loading. The Lender’s Cost Analyst should be alert for a pattern of front-end loading in trade items, where the contractor inflates the first few trade item costs in order to secure more mortgage proceeds early on in construction. Such a pattern may indicate inadequate working capital or risky business practices on the contractor’s part. Front-end loading can jeopardize the construction of the project, especially since the contractor must under-estimate later trades in order to balance out the bottom line of the estimate, making these later trades especially vulnerable to shoddy work practices and even outright default.

Meet with contractor to discuss and resolve all questionable trade line item differences. Resolution process may result in either the Lender’s Cost Analyst or the contractor, or both, recalculating costs of various trade line items based on discussions.

If differences are resolved, accept costs in Form HUD-2328 and use as Lender’s Cost Estimate, and document figures on Form HUD-92326.

When dealing with suspected front-end loading, require rigorous documentation of early trade items that are higher than normal.

If differences cannot be resolved, do not accept costs in Form HUD-2328.

Use Lender’s Cost Analyst’s cost estimate as Lender’s cost estimate.

Inform the Lender’s underwriter that the contractor’s HUD-2328 is unacceptable.

Advise the Lender’s underwriter to meet with the Borrower and the contractor for further attempts at resolution.

* + - * 1. Property Insurance Insurable Value (aka Replacement Cost), provides the amount of insurance coverage required in HUD Handbook 4232.1 Rev.1, Section II – Production, Chapter 14.5.

Include Insurance Value at submission of Firm Commitment package.

Estimate 100 percent Insurable Value for each building.

Include cost of structures, foundations and basement, underground utilities within the building walls, and a proportionate share of allowances and fees, except for Other Fees.

Do not include the cost of land improvements, onsite demolition, or offsite work.

Include the cost of major mechanical equipment, such as boilers serving the entire project, in the cost of the building where the mechanical equipment is located.

Enter 90% of Insurable Value required coverage amount in the Lender Narrative and Firm Commitment.

* + - * 1. Prior approval of identity of interest subcontractors’ amount including overhead and profit.

Identity of Interest is a relationship that exists giving the Borrower or general contractor apparent control or influence over a subcontractor, equipment lessor, material supplier, or manufacturer of industrialized housing.

Requirements. When subcontractors, material suppliers, or equipment lessors have an identity of interest with a Borrower or general contractor, the lender must approve the subcontract amounts, including specific amounts for subcontractor general overhead and profit.

Timing. Approval is required before work begins under the subcontract. Failure to secure prior approval will result in the disallowance of the total general overhead and profit of the subcontractor at cost certification.

Request for approval (with the subcontracts, agreements, or leases) goes to the Lender’s Cost Analyst, whose recommendations must cover:

Acceptability of the documents;

Reasonableness of guaranteed maximum prices for the subcontract work;

Appropriateness of general overhead and profit dollar amounts.

Mandatory Conditions for Approval. Note that the burden of proof is on the subcontractor.

Subcontracts:

There must be a separate one for each trade;

Subcontract must clearly identify scope of work;

Be on a cost plus fixed fee basis:

Guaranteed maximum dollar amount for work;

Specific dollar amount for general overhead and profit.

Disapprove “paper conduit” arrangements where work is to be done by general contractor personnel or other subcontractors, suppliers or lessors.

Subcontract prices: For this criterion, recent reliable data is a better test than whether higher bids were submitted.

The total price must not exceed the amount shown for the trade item on the accepted Form HUD-2328.

Total price must not exceed reasonable prices taken from available data.

NOTE: The Lender’s Cost Analyst must resolve disagreements in trade prices with the subcontractor.

Overhead and Profit. The amounts for general overhead and profit shall be no higher than the typical prices for the specific trade.

Subcontractor entity.

The firm must operate and have documented experience as a subcontractor for the specific field covered in the subcontract.

Must control labor, materials, and equipment typical for the trade.

Must do significant business in its specific field with Borrowers and general contractors having no identity of interest.

If total of all identity of interest subcontracts, purchases and leases is less than ½ of 1 percent of the mortgage amount, the requirement for prior approval of identity of interest subcontractors (per Section II B. 8. above), and the requirement for each identity of interest subcontractor to cost certify, may be waived by HUD’s Office of Residential Care Facilities upon notification by the Lender.

Prepare letter of approval or disapproval to the Borrower or general contractor. Letter must address all mandatory conditions. The Lender’s Cost Analyst drafts the letter, sends it to the Lender’s Underwriter, who in turn concurs with the recommendations. The Lender’s Underwriter sends only the approval letters and all attachments to the HUD Underwriter for final approval.  All letters of disapproval shall be handled by the Lender’s Underwriter. See **Exhibit E, attached,** for, “Sample Prior Approval of Identity-of-Interest Subcontractors,” letter format.

Approval will indicate any conditions, including whether or not subcontractor must cost certify.

Disapproval will state the reason for disapproval and indicate any cost certification requirements.

* + - 1. Lender’s Cost Analyst’s Duties – Detailed Cost Estimates, Comparison with Contractor’s Cost Estimates, and Prior Approval of Identity of Interest Subcontractors: Initial Closing

Prior to Initial Closing, update any Detailed Cost Estimates, Cost Comparisons, and draft any new Prior Approval of Identity of Interest Subcontractors, as necessary due to changes in the Plans and Specifications between Firm Commitment and Initial Closing.

* + 1. REFERENCE HANDBOOKS **See Exhibit F, attached.**
    2. Design Architect’s Certification

The applicable sections of the Design Architect’s Certification must be completed, and the document signed prior to endorsement.

**Exhibit A**

**Lender’s Architectural Reviewer’s Report**

* Firm Application
* Initial Closing

HUD PROJECT NUMBER: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

PROJECT NAME:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

LENDER’S ARCHITECTURAL REVIEWER’S NAME:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

DATE of FIRM APPLICATION REVIEW: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

DATE of INITIAL CLOSING REVIEW: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

This list reflects a plan check applicable to Section 232 New Construction, Substantial Rehabilitation, and 241(a). A checked box represents that the Lender’s Architectural Reviewer has verified that the project design and documentation meets the standards set forth by the applicable Section 232 New Construction, Substantial Rehabilitation, or 241(a) program requirements for that item.

1. Overall
   1. Verify that all items required by **Exhibit B** attached to this Statement of Work are included in the documents.
   2. Verify that area take-offs, including net rentable area for each unit type, and gross building areas, are included in tabulations.
   3. Verify that all drawings are stamped and signed by a licensed architect or engineer.
   4. Verify that off-site work and demolition is clearly identified and separated in the Plans and Specifications from the work included in the main construction contract.
   5. Verify that project meets all applicable, “Section 232 – Primary Facility Requirements.” **See Exhibit D, attached.**
   6. Verify that all applicable Building and Accessibility Codes have been identified within the submission and listed on the cover sheet.
2. Coordination.
3. Verify that plans and elevations match.
4. Verify that profile sheets have been provided for all underground drainage facilities, and profile sheets show all intersecting utilities.
5. Verify that there are no conflicts between structural, mechanical, and electrical systems. Check worst case beam/duct/light fixture condition.
6. Verify that architectural and civil site plans contain the same metes and bounds as the ALTA survey.
7. Verify that regulated surface waters, wetlands, floodplain and floodway lines are noted on all architectural and civil site plans.
8. Survey.
9. Verify that all requirements of Exhibit B, A.4. are met.
10. Verify that all easements indicated in exceptions to title report are located on survey.
11. Verify that site location is outside of the 500 year flood zone.
12. Site design/grading.
13. Verify that overall project design and amenities are appropriate for the area and the services and amenities the operator intends to provide.
14. Verify that overall density is appropriate and buildings are not "landlocked" by parking lots.
15. Verify that building layout does not contain monotonous repetition. (May be acceptable for Alzheimer’s facilities)
16. Verify that facing buildings have adequate space between them.
17. Verify that privacy is not compromised by the location of windows as related to other windows, decks, circulation and common areas.
18. Verify that windows of "basement" units in walk-ups have view.
19. Verify that "defensible space" criteria are used in design and that there are no potential hiding places.
20. Avoid the use of parking spaces flanking the main vehicle circulation route in larger projects.
21. Verify that design meets the Fair Housing Accessibility Guidelines.
22. Verify that design meets the Uniform Federal Accessibility Standards (UFAS).
23. Verify that design meets the requirements of the Minimum Property Standards, (HUD 4910.1)
24. Verify that grading is clearly shown. Positive drainage is provided away from all buildings, low points in large lawn areas have catch basins, low points of parking lots have catch basins, walks sloping downward toward buildings have drainage at low point.
25. Verify that storm water detention ponds (if any) are designed to be an amenity, not an "attractive nuisance".
26. Verify that there are no hazardous storm drainage facilities (steep, deep swales, etc.).
27. Verify that finish floor elevations given on architectural site plan, civil plan, and structural plan match.
28. Verify that landscape plan does not conflict with drainage plan.
29. Unit design.
30. Verify that design (both plan and elevations) meets the Fair Housing Accessibility Guidelines.
31. Verify that design meets the Uniform Federal Accessibility Standards (UFAS).
32. Verify that design meets the requirements of the Minimum Property Standards, (HUD 4910.1)
33. Verify that overall unit designs are appealing.
34. Verify that unit circulation is logical (examples: view upon entering front door clearly leads to living room, there is at least one bathroom accessible from living area without entering a bedroom).
35. Verify that adequate size bedrooms and closets are provided.
36. Verify that door swings do not conflict.
37. Project construction.
38. Verify that all roofs have minimum 1/2" per foot slope.
39. Verify that pavement sections used will provide for long life with low maintenance.
40. Verify that exterior finish materials, including roofing and siding, are quality, low-maintenance materials, properly finished.
41. Verify that flashing details covering the various roof/wall, opening and roof penetration conditions have been clearly depicted in the drawings. Show all dimensions, drip edges, sizes, laps, etc.
42. Cantilever decks are to be avoided if at all possible. If zoning or other extraordinary conditions require their use, verify that they are constructed using treated framing lumber, particularly if the deck surface is spaced decking.
43. Verify that decks, if membrane type, are sloped to drain and use a quality, puncture-resistant membrane product, or a protected membrane. Verify that all conditions are detailed and details allow for repair or replacement. Because waterproof decks frequently fail, the use of counter flashing is encouraged to ease replacement.
44. Verify that attic and crawlspace ventilation meets code.
45. Verify that floor coverings have HUD bulletins, where applicable.
46. Verify that one-piece tub/shower surrounds are used wherever possible.
47. Verify that adequate, energy conserving lighting is provided.
48. Verify that duplex outlets are on circuits separate from any fluorescent lighting and that telephone jacks have duplex outlets within six feet of them.
49. Verify coordination between the Geotechnical report recommendations and foundation design.
50. Verify coordination between the Geotechnical report recommendations and civil engineering (flatwork, parking and drives) design.
51. Specifications.
52. Verify that all HUD contract (92442-ORCF), payment (92448), change order (92437) and other related forms appear as exhibits.
53. Verify that HUD payment, change order, and closeout requirements are summarized and explained.
54. Verify that applicable Davis-Bacon wage decision, and form HUD-2554-ORCF, Supplementary Conditions of the Contract for Construction, are bound in Division 00 73 00.
55. Verify that applicable HUD materials bulletins are referenced in appropriate sections, approved reference standards are incorporated, and all other Minimum Property Standards requirements are met.
56. Verify that all products and materials which appear on the drawings also appear in the specifications.
57. Verify that Energy Star appliances and other applicable systems are utilized

*All lighting and appliance fixtures must meet the minimum standards established by the EPA EnergyStar program*.

1. Verify that the AIA A201, General Conditions of the Contract for Construction, is bound into the project manual.
2. For Substantial Rehabilitation projects, inform the project architect to provide a matrix including a unit-by-unit description of individual repairs, as well as building-by-building specific repairs; within the specifications.
3. Environmental Requirements.
4. For Substantial Rehabilitation projects, the architect/owner is to provide evidence of environmental compliance with the EPA NESHAP standards for asbestos in renovation and demolition, specifically 40 CFR Part 61, Subpart M.
5. Verify that ESA recommendations are resolved/addressed within the proposed project design.
6. Noise Abatement: Review 4128 reporting and noise assessment to determine if interior and exterior noise issues are resolved with construction. Review STC calculations if excessive noise is presented.
7. Wetlands: Review 4128 reporting to determine wetlands impact proposed by the development.
8. Radon: Project must comply with requirements found in HUD Handbook 4232.1 Rev.1, Section II – Production, Chapter 7 – Environmental Review, 7.8 Radon.

Comments. Include item number of checklist where applicable.

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Lender’s Architectural Reviewer’s Certification.

I hereby certify that I have personally reviewed the project drawings and specifications against this checklist, and to the best of my knowledge, information and belief, have found that all items are in complete compliance or that any items of non-compliance have been elaborated on in the comment section or on attached documentation. I understand that a false statement constitutes a violation of 18 U.S.C. Section 1001 and 1010.

Signature and Date – Firm Application Review: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature and Date – Initial Closing Review: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Architectural Reviewer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Business Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone Number: (\_\_\_)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Exhibit B**

**Checklist of Required Plans and Specifications**

FIRM COMMITMENT EXHIBITS.

1. Contract Drawings, minimum requirements.
   1. Cover Sheet.
2. Project name, location, and HUD project number.
3. Names of architect; architect providing contract administration (if not the same); Borrower; general contractor; and, bonding company. Include spaces for signature, title (if appropriate), and date. For example:

IDENTIFICATION

Architect (Print Name) by (Signature, title, date)

Owner (Print Name) by (Signature, title, date)

Contractor (Print Name) by (Signature, title, date)

Bonding Co. (Print Co. Name) by (Signature, title, date)

1. Tabulation of living units:
   * 1. Number of units of each type.
        1. Number of beds
        2. Unit configuration
        3. Unit size
     2. Number of units and type in each building.
     3. Number of non-revenue units.
     4. Totals.
2. Location map.
3. The number of parking spaces open and covered.
   * 1. Number of required Handicap spaces
   1. Index of Drawings.
4. Drawing numbers, consecutive.
5. Drawing titles.
6. Date of last revision date for each drawing.
   1. Summary of Building Code References
7. Federal Code
8. State Code
9. Local code
10. Applicable Accessibility Code
11. UFAS
12. ADAAG
13. FHAG
14. HUD Minimum Property Standards

NOTE: Topographic survey, plot plan, grading and drainage plan, and landscape plan may be combined, in whole or part, if all required information (items 4–7 below) can be clearly shown on a site or plot plan.

* 1. Topographic Survey, a scale of 1"= 40' is recommended. (Transit survey, made at site.)

1. Contours at no more than 2‑foot intervals. For steeply sloping site, maximum interval of 5 feet.
2. Name of City, County and State of property location.
3. North arrow, magnetic and true.
4. Lot and block numbers of property and adjacent properties.
5. Distance to nearest street.
6. Dimensioned length and direction of each boundary and physical indication of boundary (monuments, markers, fences, etc.).
7. All easements, right‑of‑way, set‑back lines, and other
8. Existing streets, alleys, drives and walks.
9. Provide street names or designations.
10. Indicate surfacing, curbs and other pertinent data.
11. Location and size of all utility lines and facilities. Include sewer invert elevations and direction of flow.
12. Location of natural features such as preservable trees, streams, rock outcropping, etc.
13. On‑site and adjacent existing structures with description.
14. Available information about subsoil, ground water, fill, and buried foundations, tanks, debris, etc.
15. Legal description of the property, and total square feet and acreage.
16. All encroachments or deviations from the description of the property or conflicts with descriptions of adjoining properties.
17. Name of registered surveyor, signature and date of survey.
    1. Plot Plan, a scale 1"= 40' is recommended.
18. North arrow, magnetic and true.
19. Site boundaries with dimensions.
20. Streets, alleys or roads adjacent or within the project boundaries, together with walks, curbs, pavements, steps, ramps, play areas, parking areas and drying yards, and utilities such as gas, water, electric and sewer lines.
21. Note dimensions or size for each, and distance from structures or other locating points; materials to be used for such items as walks and pavements, and the extent of each.
22. Note as "New" or "Existing" and indicate any streets or alleys within the project boundaries to be dedicated for public use and maintenance.
23. Buildings, locating dimensions, overall dimensions, and building designations.
24. Elevations of first floor, together with elevations of finish and existing grade at building corners and entrances (including ramps, landings and steps); elevations of curbs and streets; invert elevations of main sewers and direction of flow.
25. Utilities servicing the property or distance to point of connection and utility lead‑ins or service connections; yard lighting, lawn hydrants and lawn sprinkler systems
26. Retaining and garden walls, fences, guard rails, garages and accessory structures; dimensions and details as necessary.
27. Existing trees and other natural features and whether to be removed or preserved; details as necessary.
    1. Grading and Drainage Plan, a scale 1'= 40' is recommended. Must be submitted if required information cannot be clearly shown on Plot Plan.
28. Existing and new grade elevations of all building corners and new grade elevations at entrances, walks, drives, parking areas, terraces, yards, walls and steps and first floor elevations. Proposed grading contours at appropriate intervals indicated in solid line with existing contours indicated with dotted line.
29. Site drainage. Indicate controlling grades and dimensions of all tile lines; culverts, catch basins, drain inlets, gutters, and all curbs; drainage disposal, and any existing facilities to be used.
    1. Landscape or Planting Plan, a scale 1"= 20' is recommended.
30. Outlines of structures and other improvements, together with physical features of the site to establish the location and relationship of planting and related construction.
31. Distribution of plant material.
32. Location, quantity and key number of each species in each group.
33. Outline of all planting beds and primary and secondary lawn areas.
34. Existing trees and shrubs to be preserved or transplanted.
35. List of plant material. Use standardized names.
36. Key number for each species.
37. Size, quality and quantity of each.
38. Any other pertinent data.
    1. Floor Plans, a scale 1/8"= 1' is recommended.
39. Foundation or basement, typical floor, and any non‑typical floor for each type of building.
40. Show dwelling units; mechanical, service, storage, commercial, and common areas; walls and corridors, stairs, elevators, lobbies, and other circulation areas.
41. Dimensions: overall, column centers, building breaks and set backs; locate openings and walls.
42. Rooms: name and/or number, reference to details.
43. Floors: elevations, patterns, changes in material, ramps, curbs, base, and recesses.
44. Walls: material indication, pipe and duct spaces, recesses, panels.
45. Ceilings: breaks or changes in height, skylights; reflected for the patterns showing lights and diffusers.
46. Doors: swings and number (type designation).
47. Windows: location and number (type designation).
48. Toilet rooms: fixtures, stalls, drains.
49. Stairs: well dimensions, traffic direction, number of risers.
50. Miscellaneous: drinking fountains, handrails, fire extinguisher or hose cabinets, shelving, lockers, folding partitions, expansion joints, and other proposed features.
51. Provide additional enlarged scale drawing of areas not clearly shown at this scale.
    1. Dwelling Unit Floor Plans, a scale 1/4"= 1' is recommended, each basic type unit and any variation.
52. All conditions where units are to join other units, including end unit conditions.
53. Living unit types identified by a number or letter.
54. Partitions to scale; rooms, closet and hall dimensions; overall dimensions; window locations and type designations referring to schedule showing sizes; door swings and type designations referring to schedule showing design, thickness and size; dimensioned stair location, runs and width, landings, handrails.
55. Plumbing fixtures; soil and vent stacks; kitchen cabinets and equipment; electric lights, switches, receptacles, emergency call notification devices, smoke detectors, and special power outlets; closets, shelving and clothes rods; radiators or other heating devices, chimneys, and all other such items. Provide separate mechanical drawings where plumbing, electrical, or heating and cooling information would obscure other essential information.
56. Locate structural elements such as columns, lintels, joists, beams, girders, and bearing partitions. Show sizes, spacing and direction of members. Provide separate structural drawings where the structural design dictates.
    1. Roof Plan, a scale 1/8"=1' is recommended.
57. Dimensions: overall of building and roof surface; overhangs and canopies.
58. Drainage: roof drains or gutters and leaders; pitch to drains or pitch and expansion joints in gutters; high and low points on flat roofs and direction or drainage.
59. Materials: type of roofing, cornice or parapet, copings and drip edges.
60. Other: chimneys and crickets, skylights, scuttles, hatches and bulkheads, railings, expansion joints, and equipment located on roof.

NOTE: All plans must reference applicable details and schedules by section lines and notes.

* 1. Elevations.

1. General Elevations, a scale 1/8"=1' is recommended. Exterior design of all sides of buildings together with existing grades and proposed grades at buildings, floor lines and elevations, floor height dimensions, roofs, attic vents, parapets, cornices, downspouts, window and door opening outlines with type for each opening (some having doors and windows completely indicated), material notes, and other essential features.
2. Typical Elevations, a scale 1/4"=1' is recommended. Typical elevations to show the portions of each type facade with tile exterior design, including materials, jointing, special features, windows, doorways, cornices, parapets and all details, unless clearly shown on general elevations.
   1. Sections.
3. Building Cross Sections, a scale 1/4"=1' is recommended. Various height conditions and indications to show the cross sectional characteristics of the buildings and floor level relations, when such information cannot be presented adequately on other drawings.
4. Detail Sections, a scale 3/8"=1' is recommended. Each type of exterior wall and bearing wall or partition complete from footings to roof.
5. Exterior Sections. Complete construction of: walls with thickness at various stories; floors; furring; waterproofing; ceilings; roofs, including pitch and material; window heads and sills; window heights; flashings; room heights; anchorage and bearings; cornice and gutter; insulation; vapor barrier; foundation walls and footings; conditions at various depth basements, basement floors or access space; roof space; attic and foundation vents.
6. Interior Sections. All types of walls and partitions with floor, ceiling and roof construction: supporting walls or members, columns and girders; foundations and footings, size and spacing of all members; joints; splices or ties, sub and finished floors; walls and ceilings.
7. Non-typical Sections. Any condition not clearly shown on other sections, such as intersections of roof with wall, flat roof with sloped roof, retaining wall with foundation or exterior wall, etc.
   1. Detailed plans, elevations and sections, a scale 3/8"= 1' is recommended.
8. Main, secondary, and service entrances and lobbies.
9. Stairs. (Sections must show stringers, treads, risers, newels and balusters; rise, run and headroom; and dimensions.)
10. Elevators, machine rooms, equipment rooms, and boiler rooms.
11. Kitchens, bathrooms, and common areas, such as community and meeting rooms.
12. Special exterior and interior details, such as platforms, areaways, bay windows, dormers, cupolas, fireplaces, and millwork.
    1. Schedules, complete information for convenient references.
13. Door Schedule. Size, thickness, material and design of each door, with designation on plan. Fire doors, indicate approved rating.
14. Window Schedule. Size, thickness, U-factor, material and design of each window, with designation on plan.
15. Finish Schedule. Material and type finish of floors, base or wainscot (with height), walls, ceilings and trim for various rooms or spaces.
    1. Structural, appropriate scale, complete information plans, elevations, sections, details and schedules coordinated with architectural drawings.
16. Locate columns, lintels, joists, beams, girders, and bearing partitions. Show size, spacing and direction of members.
17. Details for connections of members, foundations, and anchorage. Reflect level of safety against progressive collapse.
18. Details for construction of unusual or special features.
19. General structural design notes, showing live and dead loads, seismic zone, table of allowable stresses and modulus of elasticity for all structural materials, limits of deflection‑to‑span ratio and other pertinent data.
20. Information may be shown on architectural drawings unless it obscures other essential information.
21. Drawings shall be titled, numbered, dated and stamped by a registered architect or professional engineer.
    1. Mechanical, appropriate scale, complete information on plans, elevations, sections, details and schedules coordinated with architectural drawings. Simple systems may be shown on architectural drawings unless it obscures other essential information. Architect's or professional engineer's seal required.
22. Heating, each system.
23. Location and size of boilers, furnaces, or heaters; make, model number or type and net output of each.
24. Layout, location and size of supply and return piping, ducts, raisers and branches. Locations requiring insulation.
25. Location, sizes and output in BTU of all radiators, fan coil units, registers, grille and panel surfaces, together with valves, vents, traps, dampers and other accessories; make, model number or type of each.
26. Make, model number and firing rate of all firing equipment, and similar detailed data on all other component parts of each system such as controls, pumps, blowers, filters, and similar items.
27. Location, type, manufacturer's name and model number of all domestic water heating and related equipment including storage; arrangement and sizes of connecting piping, and make and model number, and other pertinent information of all control equipment and safety devices.
28. System design data, include: outside and inside design temperature; boiler operating pressure and temperature; BTU output; pressure or temperature drops; air temperatures at registers; pump or fan capacities, volumes, and velocities; heat loss for each space to be heated; output capacity in BTU of each radiator, convector, fan coil unit, register, or panel Surfaces; total heat loss of each building and total calculated heat load connected to each heating system; net output in BTU of each boiler and each system.
29. Design data for each domestic hot water system. If connected to heating system, include additional heat load in total for heating system.
30. Plumbing.
31. Horizontal sewer and drain system together with soil, waste and vent stacks; branch wastes and vents; drains, cleanouts, traps, sump pumps, etc., connections to sewer, size of all lines and stacks, and invert elevations of site utility lines. Riser diagram of typical stack including soils, wastes, and vents.
32. Cold water distribution system, size of mains and branches, location of hose bibbs, valves and drains. Including sprinkler system (fire and lawn).
33. Hot water distribution system together with circulating lines and pumps, valves, sizes of mains and branches.
34. Gas distribution system, size of mains and branches, meters, etc.
35. Gas piping riser diagram, size of pipes.
36. Hot water heater piping diagram.
37. Symbol list.
38. Fixture schedule and Flow Rating
39. Layout, a scale 1/4"= 1' is recommended, of typical bathrooms, equipment rooms, and congested areas; indicate pipe size.
40. Electrical.
41. Service lines, service characteristics, type and size of conduits and service wires; and service panel type, size, rating, circuit breaker trip and frame rating, fuse type and rating. Primary and secondary distribution lines, unless in the scope of work, should be shown only if necessary to clarify scope of work.
42. Meter and panel locations and manner of mounting.
43. Interior distribution and wiring of typical units: number of wires in circuits, wire and conduit type and size and manner of installation, i.e., surface mounted, above ceiling, through wall studs in furred walls, imbedded in concrete slab, etc.
44. Lights, receptacles, switches, special purpose outlets and connections to all equipment if not shown on architectural plans.
45. Yard and grounds lighting, public and common spaces lighting, and controls.
46. Power riser diagram and switchboard schedule.
47. File alarm riser diagram.
48. File detection and alarm system riser diagram and schedule.
49. Symbol list.
50. Emergency Generator Capabilities
51. Air Conditioning.
52. Location, cooling capacity, and horsepower of compressor; cooling tower and condensing units; and individual cooling units. Make, model number, and rating.
53. Layout of system including ducts, grilles, registers, diffusers, sizes, and location of valves, vents, dampers and controls.
54. BTU load requirements for each individual space. Size and rating of equipment.
55. System design data: duct system external static pressure, pressure drop per foot CFM space requirements, blower ratings, type of condenser cooling, inlet and outlet water temperature, and water flow rate in GPM.
56. Electric wiring layout: location of motors, fans, pumps, switches, and load requirements.
57. Contract Specifications.
    1. Cover Sheet.
58. Project name, location, and HUD project number.
59. Names of architect; architect providing contract administration (if not the same); Borrower; general contractor; and, bonding company. Include spaces for signature, title (if appropriate), and date. For example:

IDENTIFICATION

Architect (Print Name) by (Signature, title, date)

Owner (Print Name) by (Signature, title, date)

Contractor (Print Name) by (Signature, title, date)

Bonding Co. (Print Co. Name) by (Signature, title, date)

* 1. Index.

1. Divisions with name.
2. Trade, name and page number.
3. Trade section, name and page number.
4. Removed.
   1. Conditions.
5. General Conditions of the Contract for Construction, AIA Document A201, latest edition.
6. Supplementary Conditions of the Construction Contract, Form HUD‑92554-ORCF, latest edition.
7. Current Davis-Bacon Wage Decision
8. Architect's Supplementary Conditions, if any.
   1. Divisions. Use Construction Specifications Institute (CSI), *MasterFormat* 2010. See HUD Mortgagee Letter 2010-41, for additional details. <http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/files/10-41ml.pdf>
   2. Trade Sections.
9. Complete description of all work to be performed.
10. Scope of work, materials, and workmanship.
11. Coordinate instruction with other trades.
    1. Methods of Specifying.
12. Performance, list required qualities of products, assemblies, and end result.
13. Reference Standards, incorporate references to nationally recognized standards published by industry associations, testing organizations, and government, such as, American National Standards Institute (ANSI), Underwriters' Laboratories (UL), and Department of Commerce (DOC).
14. Proprietary, list products and assemblies by manufacturer or brand name, and grade or model.
15. Include two and preferably three or more comparables.
16. Single brand only if there is no comparable.

**NOTE**: \*\*\*\* Unacceptable items.

* + - 1. Use of the words "or equal; as required"
      2. Cash or lump sum allowances.

1. Offsite and Demolition Drawings and Specifications.
   1. Offsite improvements are those required to service the project but outside of the property boundary lines.
2. Include utilities, walks, curbs, gutters, streets, drainage structures, landscaping, and similar improvements beyond the property lines.
3. Do not include short extensions of utilities, walks, drives, drainage structures and similar improvements beyond the property lines which connect with those next to the property lines. Public sidewalks next to the property lines are not included.
   1. Offsite improvements may be included in the contract drawings and specifications but the extent must be clearly defined on the plot plan and in the specifications.
   2. Complete, separate offsite drawings and specifications are preferred.

**Exhibit C**

**Required Architectural Services for Design and Supervision**

The Borrower shall engage the services of a licensed professional, which are required for the design of elevator and walkup projects, projects of 20 or more living units, smaller projects of complex design or construction, and all healthcare facilities.

* + - 1. Architects, engineers or designers providing required design and/or construction services must be professionally licensed to render services in the design of buildings by the State in which the project is to be constructed.
      2. Evaluation and Selection of Architect. The Architect must be one in whom the Borrower, Lender, and HUD have confidence.
         1. The Lender’s Architectural Reviewer

reviews the Architect’s work progress and product(s);

may recommend that the Borrower select another professional if the Architect’s work progress or work product(s) is found to be unacceptable.

* + - * 1. Failure of the Borrower to engage an Architect acceptable to the Lender is basis for rejection of the project.
      1. Owner-Architect Agreement. An agreement between the Architect and the owner for architectural services will be executed.
         1. The owner shall submit the agreement with the application for Firm Commitment.
         2. The executed agreement shall be AIA Document B108, including Amendment (form HUD-92408-ORCF).

The scope of services shall provide all architectural, structural, mechanical, electrical, civil, landscape, and interior design and consulting services necessary to prepare drawings, specifications and other documents setting forth in detail the requirements for construction of the project. The scope of services shall also provide for administration of the construction contract.

The scope of services shall designate the responsibility for the services to be provided, whether by the Architect, owner, or others.

Additional B108 Agreements must be submitted, for any part of the basic design services with more than one prime professional, e.g. for site, civil, mechanical, electrical engineering services, etc., or supervisory architectural services. The Borrower’s Architect shall have the authority to coordinate multiple prime professional contracts. If multiple B108 agreements are submitted, the agreements must define a single firm responsible for draw requests approval”

* + - * 1. There may be separate agreements for design and construction services if the same Architect is not employed. When there is a separate agreement for administration of the construction contract, it must be submitted not later than initial endorsement. Where separate agreements are made, those sections not applicable shall be struck out.
        2. An Architect with an identity of interest with the owner or general contractor cannot administer the construction contract. An identity of interest is defined in the HUD Amendment.
      1. Modification of Owner-Architect Agreement. The document may be changed to reflect the actual agreement between owner and Architect for the specific project.
         1. Generally modifications can be made by striking out inapplicable provisions and inserting additional provisions in Article 12. Also, adding directly to a specific provision is acceptable.
         2. Changes shall not delete any service, either by the Architect or owner necessary to the project though the responsibility for a required service may be transferred.

The document shall provide a clear and definite statement of how responsibility for providing any required service is to be divided between Architect, owner, and others. Documents must conform to requirements in C.2. above.

Required services may not be sublet or delegated to any one not acceptable to HUD.

* + - * 1. The basis of compensation (Architect's fee) shall be a fixed fee for the services provided by the Architect as stated in the Agreement. No other method of stating compensation is acceptable. The amount of compensation for design services and for construction services shall be stated.
        2. Where the Architect’s basis fee exceeds that which may be paid from mortgage proceeds or where the Owner-Architect contract provides for reimbursables, the person/entity responsible for such extra fees must be identified at the bottom of the HUD Amendment.
        3. HUD shall not be incorporated into any specific provision of the Agreement. The required inclusion of the HUD Amendment in Article 12 is sufficient to incorporate HUD requirements. No modification of the HUD Amendment is permitted.
        4. The supervisory architect’s services will require the completion of the 9-month and 12-month warranty inspections.
        5. The Lender’s Architectural Reviewer shall review the agreement for compliance with these instructions.

**Exhibit D**

**Section 232 – Primary Facility Requirements**

A Skilled Nursing Facility, Intermediate Care Facility, Board and Care Facility or Assisted Living Facility must be either a free-standing building(s) or an identifiable, separate portion of one of the other facilities.

1. Skilled Nursing and Intermediate Care Facilities
2. Project size must equal or exceed 20 beds.
3. Areas of Design Concern to the AIA “Guidelines for Construction and Equipment of Hospital and Medical Facilities” apply:
   1. Where State standards do not exist, or are not maintained or enforced;
   2. To the unregulated area(s) where State standards do not regulate each Area of Concern.
4. Nursing facilities having patient use areas on more than one floor shall have electric or hydraulic elevator(s).
   1. At least one hospital-type elevator shall be installed where resident beds are located on any floor other than the main entrance floor;
   2. When 60 to 200 resident beds are located on floors other than the main entrance floor, at least 2 elevators (one of which shall be of the hospital type) shall be installed in the absence of an engineered traffic study.
5. Automatic Door Release, if installed, must be activated by the resident’s smoke detector.
6. Door closure devices on corridor doors are optional (resident rooms) and may be mandatory based on State/local codes.
7. Skilled Nursing and Intermediate Care Facilities must meet State/local licensing requirements, building codes and other occupancy standards.
8. Handwashing stations shall be provided in each resident room. They may be omitted from a single-bed or two-bed room when such is located in an adjoining toilet room serving that room only.
9. Each resident shall have access to a toilet room without having to enter the corridor area.
10. **Resident bathing facilities**. A minimum of one bathtub or shower shall be provided for every 20 residents not otherwise served by bathing facilities in resident rooms. The bathtub in this room shall be accessible to residents in wheelchairs and the shower shall accommodate a shower gurney with fittings for a resident in a recumbent position.

10. **Emergency Call Systems**. Program must furnish each sleeping area and each bathroom with an emergency call system that:

1. Registers a call (annunciator and alarm) at one or more supervised locations, or
2. Has an intercommunicating telephone system connected to a switchboard which is monitored 24 hours a day, or
3. Sounds an alarm (not the fire alarm) in the immediate corridor and automatically activates a visual signal in the corridor at the entrance to the residential accommodation.

***Note: Systems may be hardwired and/or wireless. Personal pendant-style systems alone, meeting one or more of the above criteria, will satisfy the requirement as well.***

11. **Emergency Generator**. As a minimum, nursing facilities or sections thereof shall have emergency electrical systems as required in NFPA 101.

1. Board and Care (B&C) Facilities.
2. Project Size must be five or more residential accommodations.
3. **Residential Accommodations**.
   1. A “residential accommodation” is:
4. A complete efficiency or one bedroom dwelling unit, or
5. A single bedroom or suite of bedrooms in which the bedrooms:
6. Are for single or shared occupancy;
7. Have a bathroom per bedroom, or a bathroom shared by the residents of more than one bedroom, not to exceed four residents per full bathroom, and
8. May, but need not, include any combination of individual or shared living, cooking and dining areas in addition to required project community spaces and congregate cooking and dining facilities.
9. In a B&C home, independent living accommodations, i.e. complete efficiency or one bedroom dwelling units, may not provide more than 25 percent of the total projected resident capacity.
10. An independent living accommodation includes its own kitchen, bathroom, and sleeping area or bedroom;
11. A kitchen consists of a sink, refrigerator, slip-in range with oven or built-in cooktop plus a built-in oven, and storage for cooking/eating utensils and foodstuffs.
12. The range or cooktop must have two or more burners;
13. A conventional, convection or microwave oven may be used.
14. A unit which includes:
15. A small refrigerator, and/or bar-type sink, two-burner cooktop and/or microwave for the convenience of the tenant (making tea, storing cold drinks or medicines) does not constitute a kitchen, but rather a kitchenette. However, provision of this kitchenette is generally only permissible in units (room and bath) that do not exceed 350 square feet or where the Lender’s market analyst specifically determines that the project does not appeal to the same limited market as Retirement Service Centers. This determination should be maintained in the project file.
16. A bathroom must include a lavatory, toilet, and bathtub or shower meeting accessibility criteria for persons with disabilities;
17. A bedroom must be separated from other spaces by a door and include a clothes closet(s).
    1. The maximum number of occupants per residential accommodation shall be regulated by State or local standards. If such standards do not exist or do not regulate such occupancy, no more than 4 persons may occupy a bedroom.
18. **Kitchen and Dining Criteria**.
19. Program must provide congregate kitchen and dining facilities to serve all residents, including those in accommodations with individual or shared kitchens and dining areas.
20. If food is to be prepared at an offsite location, a serving area may be substituted for the congregate kitchen, if:
21. The serving area is of sufficient size to permit subsequent installation of a congregate kitchen, if required, or
22. The site and building layout permit the subsequent addition of a congregate kitchen.
23. A congregate kitchen may provide meals for several structures, including a skilled nursing or intermediate care facility that is part of the board and care or assisted living facility mortgage.
24. **Bathrooms.** The maximum number of residents per bathroom shall be governed by State or local standards except:
25. Not less than one full bathroom must be provided for every four residents;
26. Hand-washing facilities must be included in each bedroom, except that they may be omitted when the bathroom serves only one single- or double-occupancy bedroom;
27. Access to required bathrooms from bedrooms served shall not be through public corridors or areas; public corridors or areas are defined as common areas or areas outside of the unit.
28. An additional bathroom(s) may be included for assisted bathing. Provide a lavatory, toilet, dressing area, and means for privacy for such bathrooms.
29. **Emergency Call Systems.** Program must furnish each sleeping area and each bathroom with an emergency call system that:
30. Registers a call (annunciator and alarm) at one or more supervised locations, or
31. Has an intercommunicating telephone system connected to a switchboard which is monitored 24 hours a day, or
32. Sounds an alarm (not the fire alarm) in the immediate corridor and automatically activates a visual signal in the corridor at the entrance to the residential accommodation.

***Note: Systems may be hardwired and/or wireless. Personal pendant-style systems alone, meeting one or more of the above criteria, will satisfy the requirement as well.***

1. **Recreational Rooms** must provide for:
2. Passive activities such as sitting, reading, conversing and parlor games;
3. Active functions such as crafts, group exercises, etc., and
4. Communal activities including meetings and group entertainment.

Multipurpose spaces may also serve as part or all of the congregate dining space.

1. **Project Character**.
2. The board and care facility must maintain a residential rather than a medical character.
3. Facilities requiring staffing in excess of 1 ½ hours per resident day indicate a tendency toward a medical rather than a residential facility. Such proposed physical improvements and operational plans must be closely reviewed by the Lender to assure compliance with board and care program objectives.
4. The program must meet State/local licensing requirements, building codes and other occupancy standards.
5. Assisted Living Facilities.
6. Zoning. An Assisted Living Facility (ALF) must comply with the local zoning ordinance. In addition to meeting HUD’s program standards, the ALF shall meet any other applicable Federal, State or local requirements.
7. Project size must be five or more residential units.
8. Structure.
9. An ALF assisted living facility (ALF) shall be:
10. One or more free-standing structures (architecturally independent of any other structure);
11. An entity of an existing structure such as a board and care home, or
12. Connected to a main building or identifiable separate portions of one or more free-standing structures.
13. An ALF may be a component or an identifiable part of another HUD-insured facility (nursing facility, intermediate care facility or board and care facility).
14. **Residential Units**:
15. A Residential Unit may be:
16. An efficiency or one-bedroom dwelling unit, or
17. A single bedroom or suite of bedrooms in which the bedrooms provide separate dwelling units for residents.
18. A bedroom must be separated from other spaces by a door and include a clothes closet(s).
19. The maximum number of occupants per residential accommodation shall be regulated by State or local standards, not to exceed four persons per accommodation.
20. The assisted living unit may have a full bathroom per bedroom, or a bathroom shared by the residents of more than one bedroom, not to exceed four residents per bathroom. A bathroom must include a lavatory, toilet, and bathtub or shower meeting accessibility criteria for persons with disabilities. Access to required bathrooms from bedrooms served shall not be through public corridors or areas; public corridors or areas are defined as common areas or areas outside of the unit.
21. The assisted living unit may contain a kitchen, kitchenette or no kitchen depending on the design and market conditions. Cooking facilities may be disconnectable for certain residents.
22. A full kitchen consists of a sink, refrigerator, slip-in range with oven or built-in cooktop plus a built-in oven, cabinetry, and storage for cooking/eating utensils.
23. A kitchenette has a small sink and small refrigerator, cooktop or microwave.
24. A kitchen is not required in each unit.
25. Assisted living facilities (ALF) are required to have an emergency call system, sprinklers and/or security systems, depending on State licensure or Life Safety Codes adopted by the NFPA (Limited Care Facility).
26. An ALF shall have an emergency response system (audio or visual) in each room and 24-hour staff coverage.
27. Individual dwelling doors may be locked depending on the licensure requirement and project management’s policies.
28. Assisted living environments should be architecturally designed to allow for the needs of the residents, e.g. special care units for Alzheimer’s residents with suitable outdoor areas, indoor walking area, appropriate lighting and decor, and suitable security (alarms, exits, doors, etc.).
29. **Emergency Call Systems**. Program must furnish each sleeping area and each bathroom with an emergency call system that:

1. Registers a call (annunciator and alarm) at one or more supervised locations, or

* 1. Has an intercommunicating telephone system connected to a switchboard which is monitored 24 hours a day, or
  2. Sounds an alarm (not the fire alarm) in the immediate corridor and automatically activates a visual signal in the corridor at the entrance to the residential accommodation.

***Note: Systems may be hardwired and/or wireless. Personal pendant-style systems alone, meeting one or more of the above criteria, will satisfy the requirement as well.***

1. The Assisted Living Facility:
2. Shall not contain any nursing home or intermediate care beds;
3. May contain board and care beds;
4. Must provide areas for central dining, kitchen (or preparation area where food is supplied from an offsite location), lounges, recreation, and other multipurpose rooms. Where food is provided from an offsite location, the preparation area in the facility must be of sufficient size to allow for the installation of a full kitchen if it becomes necessary, or additional land must be available to add kitchen space.
5. Must meet State and local licensing requirements, governmental building code and other occupancy standards.
6. Additional design considerations for Assisted Living Facilities (ALF):
7. Private rooms with a full bath are the standard. Because ALF residents generally are private pay and have a choice (unlike Medicaid recipients in nursing homes), private rooms with a full bath are the standard.
8. Semi-private rooms have generally not been successful in the ALF market. However, there may be a few semi-private rooms:
9. Where market experience supports it;
10. The developer wants to have some units affordable for SSI and low-income residents.
11. Alzheimer’s facilities may be developed as free-standing facilities, but the trend is to build smaller facilities of 16 to 44 beds. (As Alzheimer facilities are more specialized private rooms with full baths may not be the standard. This type of unit may be based on market conditions, and addressed separately.)
12. No typical ALF model.
13. There is no typical ALF model, but some developers use prototypes in multiple locations.
14. Housing Finance Agencies may choose to develop ALF’s with an affordable housing component.
15. This is done by reducing construction costs and partnering with local communities.
16. However, these facilities have less space, fewer services, and different design features.
17. Aging in place.
18. Developers that initially build retirement communities with independent living units may have to retrofit and convert these units to ALF’s due to aging in place.
19. To qualify for Section 232 mortgage insurance, these converted units must comply with:
20. Federal, State, local building and fire codes, and
21. Federal and State accessibility requirements for persons with disabilities.
22. Facility should be home-like, rather than an institutional model.
23. Unit Sizes: The unit size ranges from 150 square feet (sf) for a semi-private room to 650 sf for a two-bedroom unit.
24. Common spaces: A minimum of 25 sf of dining area and 30 sf of recreational and common space per resident are recommended minimum standards.
25. Mixed Use Buildings. Due to specific needs, B&C (personal care) or ALF (frail elderly care) residents are generally incompatible with SNF or ICF (medical care) patients, where personal and medical care facilities occupy the same building. Accordingly, the mixed use building program should minimize the shared use of the same building spaces and facilities between the personal care and medical care use groups.
26. The building design should not intermix B&C and ALF residential accommodations or services with SNF/ICF patient rooms or services. Personal or frail elderly care facilities should be located in a separate building wing or floor from medical care facilities.
27. The building design should provide separate building entrances for the personal/frail elderly care and the medical care facilities where both are in the same building, except in an elevator structure where a common elevator(s) is used for all floors.
28. Where a common elevator lobby and elevators are used by B&C/ALF residents and SNF/ICF patients:
29. The elevator lobby must separate B&C/ALF residential accommodations from SNF/ICF patient bedrooms;
30. The route of travel between an elevator lobby and B&C/ALF residential accommodations must not pass SNF/ICF patient bedrooms, nor may the route of travel between the lobby and SNF/ICF patient bedrooms pass B&C/ALF residential accommodations.
31. Interior and exterior passive and active recreation spaces must segregate B&C/ALF residents from SNF/ICF patients.
32. Congregate dining facilities may be shared between B&C/ALF residents and SNF/ICF patients only if SNF/ICF patients can be successfully separated and screened from the B&C/ALF residents.
33. Facilities for chapel, therapy and similar activities for which duplication is not warranted may be for common use by B&C/ALF residents and SNF/ICF patients.
34. New construction standards will apply to all new additions.

**Exhibit E**

**SAMPLE**

**Prior Approval of Identity-of-Interest Subcontractors**

Section 232 New Construction, Substantial Rehabilitation, and 241(a)

Office of Residential Care Facilities Letterhead

DATE

Construction Company

100 North Road

Boomtown, USA Zip+5

Dear:

SUBJECT: Project Name

HUD Project No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Approval of Identity of Interest Subcontract for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Thank you for your *\_\_\_(DATE)\_\_\_,* submittal of the subject contract. We have reviewed the contract in accordance with the “Lender’s Architectural Reviewer and Cost Analyst’s Statement of Work,” Section IV.C.8., and find the contract acceptable. A summary of the subcontract is as follows:

Scope of Subcontract Work See “Exhibit \_\_” of attached contract

Maximum Dollar Amount $\_\_\_\_\_\_\_\_\_\_\_\_

General Requirements %\_\_\_ $\_\_\_\_\_\_\_\_\_\_\_\_

Overhead %\_\_\_ $\_\_\_\_\_\_\_\_\_\_\_\_

Profit %\_\_\_ $\_\_\_\_\_\_\_\_\_\_\_\_

You are also reminded that *\_\_\_(Name of Identity of Interest Subcontractor)\_\_\_* will also have to cost certify, as described in HUD’s requirements, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

If you have any questions regarding this letter, please feel free to call

*\_\_(Name of ORCF Underwriter)\_\_\_,* or *emai*l \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Sincerely,

*Name of ORCF Staff Member*

Attachment (Contract)

**Exhibit F**

**Reference Handbooks**

1. The Lender’s Architectural Reviewer and Cost Analyst shall perform all processing in accordance with the HUD Handbooks referenced below and this Statement of Work for the particular project and program.
2. Handbook 4232.1 Rev.1, Healthcare Mortgage Insurance Program Handbook provides technical instruction and guidance for HUD staff, sponsors, architects and builders.
3. The following HUD Handbooks, Guidelines, and Standards may also be applicable to this contract and shall be used by the Lender’s Architectural Reviewer and Cost Analyst to perform required services:
4. 4910.1 (MPS)--Minimum Property Standards
5. Federal Labor Standards Compliance in Housing and Community Development Programs, Handbook 1344.1.
6. 24 CFR Part 100.205 and 24 CFR Chapter 1, Subchapter A, Appendix II -- the regulations and guidelines implementing the Fair Housing Accessibility Act of 1988
7. Uniform Federal Accessibility Standards 24 CFR Ch.I, Subch. A, App. II "Uniform Federal Accessibility Standards" (UFAS) (Title 24,Code of Federal Regulations, Chapter I, Subchapter A, Appendix II).
8. Guidelines for Design and Construction of Hospital and Health Care Facilities

The Lender’s Architectural Reviewer and Cost Analyst are respon­sible for obtaining and maintaining all applicable HUD handbooks, as necessary. HUD handbooks are obtained online at: <http://www.hud.gov/offices/adm/handbks_forms/index.cfm>

All of the Handbooks and regulatory citations described in this Statement of Work are subject to revision. The Lender shall, to the maximum extent possible, notify their Architectural and Cost Analysts of changes to Handbooks, regulations, statutes, and other guidance.