

**Supporting Statement for Request for Withdrawals for Replacements Reserves/Residual
Receipts Funds
2502-0555**

A. Justification

1. This information is necessary to effectively monitor withdrawals from Reserves for Replacement funds and/or Residual Receipt Funds. Regulations 24 CFR 880.601 and 880.602 govern residual receipts accounts and replacement reserve accounts and require HUD approval and compliance with HUD guidelines (HUD Handbook 4350.1) for withdrawals from the accounts. Copies of the regulatory and administrative guidelines are attached to this submission.
2. Currently, there are 30,583 multifamily projects. Project owners are required to submit this information when requesting a withdrawal of funds from the Reserves for Replacement and/or Residual Receipt Funds. HUD reviews this information to ensure that funds are withdrawn and used in accordance with regulatory and administrative policy. HUD annually receives form requests from approximately 27% of the project population.

Mortgagors make requests in writing using form HUD-9250, Funds Authorizations, along with supporting documentation. HUD will make reasonable effort to review and act upon the mortgagor's request within thirty days and, if approved, prepare, sign, and mail the Form HUD-9250 to the mortgagee of record. Supporting documentation must be attached to the HUD-9250. Examples of supporting documentation include a detailed description of the work done or to be done; a copy of paid invoice(s); three formal or informal bids; a copy of the bid specifications; a mortgagor's certification that funds were spent and work was done as required by HUD; and any required explanations.

3. There are no immediate plans to automate this process; however the form is available in a fillable format. The request must include additional supporting documentation. No practicable automation processes are currently available to satisfy this process.
4. The information is not available from any other source.
5. This collection of information does not impact small businesses or other small entities
6. Without this collection, HUD would be unable to monitor owner/agent withdrawals from the Reserves for Replacement and/or Residual Receipt Funds. The Department would be unable to ensure that funds are not misused.
7. There are no special circumstances as described in item 7.
8. This information is collected in a manner consistent with guidelines of 5 CFR 1320.8(d). HUD contacted members of companies outside the agency who are familiar with HUD's requirements to obtain their views. One companies, Monarch Properties Inc., responded that they have no issues with the forms and data collection requirements as they exist. HUD also contacted the Richmond and the Minneapolis hub for their experience with reviews of the data. Both of the respondents at hubs asked for an additional Yes/No box to indicate the use of Energy Star designated appliances, if applicable. One request was made to add the project name to the form along with property address. The Notice announcing the collection of information appeared in the *Federal Register* on Wednesday, February 10, 2010 (Vol. 75, No. 27, pages 6684-6685. No comments were received.
9. There are no payments or gifts to respondents.

10. There is no assurance of confidentiality provided to the respondents; however respondents are covered by the Privacy Act of 1974.
11. Respondents do not provide information of a sensitive nature, such as sexual, religious beliefs, and other matters that are commonly considered private
12. **Estimated Annual Cost to Respondents**

Estimates of the Hour burden of the Collection of Information

Information Collection	Number of Respondents	Frequency of Response	Total Annual Responses	Burden Hours per Response	Annual Burden Hours	Hourly Cost	Total Annual Cost
HUD-9250	8,257	various	8,257	0.5	4,129	\$ 22.00	\$ 90,832

*Estimated burden hours and hourly costs for respondent's staff to gather, review, and provide the requested information

Hourly costs are based on an estimate of the owner or owner's staff (Property Manager) to review the instructions and complete the form. The hourly cost has been adjusted to \$22.00 per hour based on information gathered from payscale.com. Payscale.com is an online salary and benefit information resource which provides compensation data for various occupations. The hourly costs provide a good estimate for costs to the respondent as to this data, which was obtained in November 2009. HUD annually receives form requests from approximately 27% of the project population.

13. There are no additional costs to respondents.

14. Estimated Annual Cost to the Federal Government

Estimates of Annualized Cost to the Federal Government

Total Annual Responses	Burden Hours per Response	Total Annual Burden Hours	Hourly Cost	Total Annual Cost
8,257	0.5	4,129	\$ 29.00	\$ 119,727

*Estimated hourly cost for HUD staff (GS-12) for review of the request information and preparation of response/authorization.

15. There are no program changes for this submission. The previous submission only accounted for those entities that actually submitted requests and not for all possible respondents. Further, no burden hours were included for assembling and submitting supporting documentation. Adjustments were made to include the total number of possible respondents and the inclusion of burden hours for the supporting documentation that must accompany the request for withdrawal.
16. The results of this information collection will not be published.
17. The expiration date will be displayed on the information collection instrument.
18. There are no exceptions to the certification statement identified in item 19.

B. Collections of Information Employing Statistical Methods

There are no statistical methods used in this collection.