

**Public reporting** burden for this collection of information is estimated to average 0.5 hours. This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation that must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

**Warning:** Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions

*NOTE: This addendum is applicable for Section 223(a)(7) transactions if:*

1. *The facility has completed a building addition without having obtained HUD’s approval;*
2. *The project will acquire or has acquired land that was not insured under the original mortgage loan and the facility has yet to receive HUD’s approval of the additional land; or*
3. *The project involves repairs that do not qualify as routine maintenance. (Guidance for clarifying the difference between routine maintenance and a repair is available at: [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_13720.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_13720.pdf).)*

## Potential Environmental Concerns

### Key Questions

	<b>Yes</b>	<b>No</b>
1. Is the project located within a designated coastal barrier resource area? .....	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the project located within 5 miles of a civil airport or within 15 miles of a military airfield? .....	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the project located within 1,000 feet of major highways or busy roads? ....	<input type="checkbox"/>	<input type="checkbox"/>
4. Is the project located within 3,000 feet of a railroad? .....	<input type="checkbox"/>	<input type="checkbox"/>
5. Are there any existing or proposed stationary tanks containing explosive or fire-prone materials of 100 gallons or larger on the site or nearby the site that are visible from satellite images or site reconnaissance? .....	<input type="checkbox"/>	<input type="checkbox"/>
6. Are there any wetlands on the subject site? .....	<input type="checkbox"/>	<input type="checkbox"/>
7. Are any repairs or modifications to the project likely to affect any listed or proposed endangered or threatened species or critical habitats? .....	<input type="checkbox"/>	<input type="checkbox"/>
8. Is the project located on a sole source aquifer? .....	<input type="checkbox"/>	<input type="checkbox"/>
9. Are there any known landfills within ½-mile of the site? .....	<input type="checkbox"/>	<input type="checkbox"/>
10. Are any buildings located in the fall zone of any high voltage power transmission or other towers? .....	<input type="checkbox"/>	<input type="checkbox"/>

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| 11. Do any of the required or proposed repairs change the footprint of the building(s)? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. If the project includes a structure that was built before 1978, was a comprehensive asbestos survey performed by a qualified asbestos inspector pursuant to the "baseline survey" requirements of ASTM E 2356-10 provided? ..... | <input type="checkbox"/> | <input type="checkbox"/> |

If you answer "yes" to any of the above questions, please briefly address below.

<<For each "yes" answer above, provide a narrative discussion regarding the topic. For example, if there are wetlands on the subject site, explain whether the project will impact or disturb the wetland areas or their buffer zones.>>

### State Historic Preservation Office (SHPO) Clearance

#### Key Questions

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| 1. Are there any known historic preservation issues related to the project? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the project involve repairs in excess of routine maintenance, construction, or ground disturbance?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. If the answer to 1 or 2 above is yes, has the SHPO been contacted? (Provide all information that was sent to the SHPO and any response received.) ..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Have any other archaeological or cultural resource centers been consulted? .  | <input type="checkbox"/> | <input type="checkbox"/> |

<<As applicable, for each "yes" answer above, provide a narrative discussion on the topic. For example, "We have received a letter from the XXXX State Historic Society, dated XXXX. It was determined that the site is of no historical or suspected cultural significance. No additional investigation was recommended by the State." Please note if a response has not been received. If the SHPO concluded that the project will have an adverse effect, please explain how this will be mitigated .>>

#### Flood Plain

NFIP Map Panel #: \_\_\_\_\_ Date: \_\_\_\_\_  
 Flood Zone: \_\_\_\_\_

**Key Questions**

	<b>Yes</b>	<b>No</b>
1. Does the community participate in the National Flood Insurance Program (NFIP)? (A project located in a FEMA identified special flood hazard area where the community has been suspended from or does not participate in the NFIP is <u>not eligible</u> for mortgage insurance.) .....	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the Standard Flood Hazard Determination Form indicate that the subject is located within the 100- or 500-year floodplain? (If yes, please explain below.) .....	<input type="checkbox"/>	<input type="checkbox"/>
3. Has a Standard Flood Hazard Determination Form been submitted? .....	<input type="checkbox"/>	<input type="checkbox"/>
4. Is Flood Insurance required for this property? .....	<input type="checkbox"/>	<input type="checkbox"/>

<<If project is in 100- or 500- year flood plain, provide narrative discussion evaluating exhibits required on the application checklist with detailed information about how the property will be altered and improvements designed. Include the elevation of the property, the elevation of the floodplain, and the location of life support systems.>>

**Phase I Environmental Site Assessment**

A Phase I Environmental Site Assessment (ESA) is required if the borrower will acquire or has acquired land that was not insured under the original mortgage loan and has yet to receive HUD’s approval of the additional land.

Date of Inspection: \_\_\_\_\_  
 Firm: \_\_\_\_\_  
 Consultant: \_\_\_\_\_

**Key Questions**

	<b>Yes</b>	<b>No</b>
1. Does the environmental consultant(s) meet all the qualification requirements of Appendix X2 of ASTM E 1527-05? .....	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the environmental consultant(s) meet the license/certification, educational, and experiential requirements of Section X.2.1.1(2)(i), (ii), or (iii), of Appendix X2 of ASTM E 1527-05? .....	<input type="checkbox"/>	<input type="checkbox"/>
3. Were any Phase II investigations performed by environmental investigator(s) specifically qualified to meet the responsibilities for the issue(s) of concern? .....	<input type="checkbox"/>	<input type="checkbox"/>
4. Does the report recommend a Phase II assessment, other reports, or additional testing?	<input type="checkbox"/>	<input type="checkbox"/>

- |   | Yes                      | No                       |
|---|--------------------------|--------------------------|
| 5. Does the vapor encroachment screen amendment to the Phase I identify a “vapor encroachment condition” (VEC)? (If yes, the vapor encroachment screen must be performed using Tier 1 “non-invasive” screening pursuant to ASTM E 2600-10.) .....                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Does the report indicate evidence of any soil staining or distressed vegetation, unusual odors, pools of liquid, leaking containers or equipment, hazardous materials or other unidentified substances? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Does the report indicate evidence of any chemical misuse or unlawful dumping at the site? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Does the report indicate the presence or suspected presence of any underground storage tanks or aboveground storage tanks on the site? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Does the report indicate potential contamination concerns for the subject property? (Check the report’s review of all major governmental databases for listings of potentially hazardous sites within the ASTM required search distances from the property.) ..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Does the Phase I/II recommend any required actions or conditions? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Was the Phase I ESA conducted within 180 days of the date of the submission of the firm commitment application (i.e., the earliest of the date of the site visit, records review, or interviews)? ( <i>Note: This requirement cannot be waived.</i> ) .....       | <input type="checkbox"/> | <input type="checkbox"/> |

<<For each “YES” answer at items 1 through 7 above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.

**Example:**

*Item 2 - Existing Structures on Site: A vacant one-story house and two storage sheds currently occupy the site. The current owner of the land will be relocating these structures prior to initial closing, at no cost to the borrower. Therefore, no off-site or demolition costs are anticipated.*

*Because of the existing structures, we have addressed potential asbestos and lead-based paint concerns. A qualified assessor evaluated the house and outbuildings for asbestos containing materials. A comprehensive asbestos survey was performed pursuant to the “baseline survey” requirements of ASTM E 2356-10 and no asbestos containing materials were identified. A visual inspection by the environmental assessor also indicated that there is no evidence of peeling paint and no suspect lead-based paint containing surfaces were identified. Given the condition of the paint, the fact that the buildings are not occupied, and the fact that they will be relocated prior to the start of construction, the underwriter and the assessor conclude that no further action is warranted.>>*

**Program Guidance: Above-Ground Storage Tanks (ASTs)**

HUD is required to qualitatively evaluate the risks associated with proximity to hazardous facilities. ORCF reviews of Section 232 applications will consider the potential danger

presented by liquid fuel and gas ASTs, even in cases of refinance where the tanks are pre-existing, and may at times require mitigation.

- Existing projects with no additions and with no increase in residential density: When ASTs exist onsite—whether containing liquid fuel (over 100 gallons in size) or containing pressurized gas (stationary tanks of any size)—**a conformance letter from the governing Fire Department/District will be required**. The letter must specifically address the safety of the storage tanks. In cases where safety letters cannot be obtained for onsite ASTs and where offsite tanks are visible from the site, a calculation of the Acceptable Separation Distance (ASD) must be included in the application. A useful tool for calculating ASDs can be found at <http://www.hud.gov/offices/cpd/environment/asdcalculator.cfm>.
- Projects where new units or beds are being added: When existing or proposed ASTs are located onsite or when offsite tanks are visible from the property, a calculation of the ASDs must be included in the application.

### **General Overview**

The Phase I Environmental Site Assessment (ESA) was performed in conformance with the scope and limitations of ASTM Practice E 1527-05 <<*Because ASTM may amend these requirements, please reference the most current version.*>> The investigation specifically included a reconnaissance of the subject site and the immediate surrounding area, a review of regulatory agency information, a survey of local geological and topographical maps, a review of aerial photographic studies, survey of water sources, a review of historical information and a limited visual inspection for suspect asbestos containing materials (ACMs).

### **Lender Comments**

<<*Provide a brief summary of comments made by underwriter. If none, state none.*>>