

# Request for Construction Changes on Project Mortgages

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0011 (exp. 11/30/2016)

No changes in the drawings and specifications may be effected unless a completed request for construction changes has been filed and approved by HUD in accordance with the Construction Contract. **Read the instructions & Public Burden statement on the back of this form.**

Name and location of this project	Request No.(HUD use only)	Project Number
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Name of Contractor	Name of Mortgagor	Name of Mortgagee
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**To the Federal Housing Commissioner:** You are requested to consider the following proposed changes in the project. The changes are satisfactory to the parties hereto, as indicated by the signatures below.

Description of Changes	Mortgagor Estimated Effect on Cost + or -	HUD Estimated Effect on Cost + or -	V = Acceptable O = Unacceptable	
			Arch.	Val.
a.				
b.				
c.				
d.				
e.				
f.				
g.				
h.				
i.				
j.				
k.				
l.				
m.				

Amount on deposit with mortgagee to cover increased cost of changes pursuant to conditions of Request No. _____ \$	Total \$		Initial & Date	Initial&Date	Initial&Date
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I certify that I have no financial interest in this project beyond the fee for my professional services, and that I have no interest with the mortgagor, contractor, or any subcontractor or supplier. The changes set forth in this request conform to the intent of the contract documents and I recommend that the changes be approved.

Contractor (signature)	Mortgagor (signature)	Mortgagee (signature)
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The following is required on requests involving cooperatives and non-profit mortgagors with respect to any increase or decrease in cost resulting from acceptable changes: (check appropriate box.)

- The abovesigned contractor agrees to assume any additional costs and agrees that he will not assert any claim against the Mortgagor in connection therewith.
- The abovesigned Mortgagor, acting pursuant to a resolution adopted at a meeting of its stockholders or members, and the abovesigned Contractor, agree to the above described construction changes and agree that the construction contract executed by them (date) \_\_\_\_\_ is amended by increasing the contract price of \$ \_\_\_\_\_ set forth in Article 3 thereof to \$ \_\_\_\_\_ all other provisions of the Construction Contract remain unchanged.
- The abovesigned Mortgagor and the above signed Contractor agree to the construction changes described above and agree that the construction contract executed by them (date) \_\_\_\_\_ is amended by decreasing the contract price of \$ \_\_\_\_\_ set forth in Article 3 thereof to \$ \_\_\_\_\_ ; all other provisions of the construction contract remain unchanged.

Federal Housing Commissioner Findings:			1. Mortgagor's Estimate				2. Net effect on Construction Costs			
a. Effect on cost of previously accepted changes	b. Effect on cost to date of all changes	c. Percent	a. Present changes	b. Previous changes	c. Total	d. Percent				
\$	\$	%	\$	\$	\$	%				
			<input type="checkbox"/> Increase <input type="checkbox"/> Decrease	<input type="checkbox"/> Increase <input type="checkbox"/> Decrease	<input type="checkbox"/> Increase <input type="checkbox"/> Decrease					

3. Changes \_\_\_\_\_ are acceptable and the drawings and specifications amended, provided:

- a. That a total sum of \$ \_\_\_\_\_ is on deposit with the mortgage to cover net increase in cost resulting from present and previous construction changes. This supersedes any previous requirements. The money will not be released without written consent of HUD prior to final completion and acceptance of the project construction. No further advances of the mortgage proceeds under the Building Loan Agreement will be approved unless the total sum is on deposit with you.
- b. That in order to reflect the net decrease in cost or reduction in mortgage based on net income or number of family units, resulting from acceptable present and previous construction changes, the amount of \$ \_\_\_\_\_ shall be deducted from the amount entered on the line entitled "Sum of Cost Breakdown Items Plus Inventories of Materials", form HUD-92448. This amount may be modified by later changes.
- c. Consent of surety to these changes is obtained in writing and a signed copy sent to this office prior to effecting the change.
- d. There is compliance with the conditions stated on the back of this form.

4. <input type="checkbox"/> Changes _____ are <b>not</b> acceptable. See "Reasons for Unacceptability" on the back of this form.	Mortgage Credit Initial & Date
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HUD analysis and findings reviewed and approved: Director, Housing Development Division (signature)	Date	Federal Housing Commissioner Signature of authorized agent
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**Public Reporting Burden** for this collection is estimated to average 2 hours per response, including the time for reviewing, searching existing data sources, gathering and maintaining the data needed, and compiling and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Reports Management Officer, Paperwork Reduction Project (2502-0011), U.S. Department of Housing and Urban Development, 451 7<sup>th</sup> Street SW, Washington, DC 20410-3600.

The Department of Housing and Urban Development (HUD) is authorized to collect this information by provisions set forth in Section 5 of the United States Housing Act of 1937, as amended. It is provided by contractors, mortgagors and mortgagees to obtain the FHA Commissioner's approval of changes in contract drawings and specifications, and this information is used to ensure that viable projects are developed. This information is used by HUD to ensure that viable projects are being developed. Furnishing of this information is mandatory, and failure to provide it may result in your not receiving your benefits.

**Privacy Act Notice.** The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

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## Instructions

Send the original and six copies to HUD through the mortgagee.

Under "Description of Changes" describe each proposed change and enter the amount by which the construction cost will be increased or decreased as the net result of each proposed change. Attach documentation including (1) reason for each change, (2) general scope, (3) full detailed description of work to be omitted and/or added and the cost for each trade affected, and (4) reference any attachments showing proposed revisions.

Estimate the cost of each change on the basis of the current cost of items omitted, substituted or added. Estimates include job overhead and builder's fee, or job overhead and general overhead, as applied in the HUD estimate of the project. No allowance for "Builder's and Sponsor's Profit and Risk" is included. No architect's or engineer's fee is included.

This form is not used for off-site changes. Such changes must be submitted in writing, using this form as a guide.

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

Send requests for a time extension on a separate form.

### **Conditions of Acceptance or Reasons for Unacceptability**

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