

**Building Loan Agreement  
Addendum**  
Section 232

**U.S. Department of Housing  
and Urban Development**  
Office of Residential  
Care Facilities

OMB Approval No. 2502-0605  
(exp. 11/30/2022)

**Public reporting burden** for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. 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. Response to this request for information is required in order to receive the benefits to be derived from the National Housing Act Section 232 Healthcare Facility Insurance Program. 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. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

**Warning:**

Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

**(Add this Building Loan Agreement Addendum when Borrower acts as its own General Contractor)**

FHA Project Number: \_\_\_\_\_  
Project Name: \_\_\_\_\_

This Building Loan Agreement Addendum shall be attached to and incorporated into that certain Building Loan Agreement (HUD-92441-ORCF) of even date herewith.

(25) In consideration of HUD consenting to authorize Borrower to act as its own General Contractor, Borrower agrees to the following:

(a) All references herein (and in any other documents except the Payment Bond, relating to the construction of the Project) to “Contractor” or “General Contractor” shall mean Borrower identified in the Building Loan Agreement. All references to subcontractors shall mean all persons who contract with Borrower or others in connection with the construction of the Project.

(b) All references to “Contract” or “Construction Contract” shall be interpreted to refer to this Building Loan Agreement and the Drawings and Specifications identified in Paragraph 2 of the Building Loan Agreement, which Drawings and Specifications include the General Conditions of the Contract for Construction (AIA Document A201) (“**General Conditions**”), and the Supplementary Conditions of the Contract for Construction (HUD-92554-ORCF) (“**HUD Supplementary Conditions**”). If any of the provisions of this Building Loan Agreement Addendum or the HUD Supplementary Conditions conflict with the terms contained in the General Conditions, the provisions of this Building Loan Agreement Addendum and the HUD Supplementary Conditions shall control.

(c) Borrower shall execute all agreements and certifications that HUD requires a General Contractor to execute pursuant to Program Obligations.

(d) The work, which is to be done in accordance with the Drawings and Specifications, shall be commenced within \_\_\_\_ (\_\_) days from the date of this Building Loan Agreement.

(e) Borrower shall, at all times during construction, keep posted in a conspicuous place on the Project site a legible copy of the applicable wage determination published by the Secretary of Labor with respect to this Project. In addition, Borrower shall incorporate into each subcontract a copy of the Supplementary Conditions of the Contract for Construction (HUD-92554-ORCF) and the applicable wage determination. Any such contract (i) shall include the agreement of the subcontractor to pay no less than the wages contained in the applicable wage determination; (ii) shall authorize periodic inspections by Lender and HUD of the subcontractor's books, payroll, and accounts with respect to the subcontract so that it may be determined whether or not prevailing wages are being paid by such subcontractor, and (iii) shall require that all tiers of subcontractors subscribe to the same provisions with respect to work to be performed on the Project.

(f) Upon request, Borrower shall disclose to Lender and HUD the names of all persons with whom Borrower contracted or intends to contract or subsequently contracts with respect to work to be performed or materials to be furnished for construction of the Project.

(g) Borrower shall give all required notices and shall comply with all applicable codes, laws, ordinances, rules and regulations, protective covenants, and with the current regulations of the National Board of Fire Underwriters, wherever applicable. Borrower shall comply with provisions of the "Manual of Accident Prevention in Construction" of the Association of General Contractors of America. Borrower shall immediately notify Lender and HUD of the delivery of all permits, licenses, certificates of inspection, certificates of occupancy, and any other certificates and/or instruments required by law, regardless of to whom issued, and shall display same to Lender or HUD upon request.

(h) HUD and Lender may inspect work done and materials, equipment and fixtures furnished, installed or stored in and around the project. Borrower shall furnish an enclosed working space acceptable to Lender and/or HUD as to location, size, accommodations and furnishings.

(i) Borrower shall correct any defects due to faulty materials or workmanship which appear within twelve (12) months from the Date of Final Completion. The "**Date of Final Completion**" shall be the date the HUD representative signs the final HUD Representative's Trip Report (form HUD-95379-ORCF) provided that the trip report is subsequently endorsed by the ORCF Construction Manager.

Date \_\_\_\_\_ Borrower \_\_\_\_\_

By: \_\_\_\_\_