|  |  |  |
| --- | --- | --- |
| **Lender Narrative –** **Requests to Release or Modify Original Loan Collateral**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 3 hours 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).

**Privacy Act Statement:** The Department of Housing and Urban Development, Federal Housing Administration, is authorized to collect the information requested in this form by virtue of: The National Housing Act, 12 USC 1701 et seq. and the regulations at 24 CFR 5.212 and 24 CFR 200.6; and the Housing and Community Development Act of 1987, 42 USC 3543(a). The information requested is used to review applications within HUD. No information will be disclosed outside of HUD. The information requested is mandatory to receive the mortgage insurance benefits to be derived from the National Housing Act Section 232 Healthcare Facility Insurance Program. No applications will be reviewed or approved without the necessary information requested. No confidentiality is assured.

**INSTRUCTIONS**:

The Regulatory Agreement provides language requiring prior HUD approval when the collateral securing a FHA-insured mortgage needs to be modified (see *Section 232 Handbook 4232.1, Section III Asset Management, Chapter 3.4 Request to Release or Modify Original Loan Collateral* for further description of these requirements). This form should be used if the subject transaction is for the revision to the security or collateral, which includes the following:

* Reduction, addition, or sale of beds
* Easements, eminent domain, or sale of land or other security
* Remodeling[[1]](#footnote-1) portions of the mortgaged property
* Adding to, subtracting from, reconstructing, or demolishing portions of the mortgaged property

Each section of the narrative and all questions need to be completed and answered. If the lender disagrees and modifies any third-party report conclusions, sufficient detail to justify the changes must be provided. This narrative is to identify the strengths and weaknesses of the transactions and demonstrate how the weaknesses are mitigated. For further description of these requirements, please refer to the Section 232 Handbook 4232.1, Section III Asset Management, Chapter 3.4 Request to Release or Modify Original Loan Collateral.

* **Charts:** The charts contained in this document have been created with versatility in mind; however, they will not be able to accommodate all situations. For this reason, you are allowed to alter the charts as the situation demands. Be sure to state how you have altered the charts along with your justification. Include all the information the form calls for. Charts that include blue text indicate names that should be modified by the lender as the situation dictates.
* **Applicability:** If a section is not applicable, state so in that section and provide a reason. Do not delete a section heading that is not applicable. The narrative will be checked to make certain all sections are provided. If a major section is not applicable, add “– Not Applicable” to the heading and provide the reason. For instance:

Parent of the Operator – Not Applicable

This section is not applicable because there is no operator.

The rest of the subsections under the inapplicable section can then be deleted. This instruction page may also be deleted.

* **Format:** In addition to submitting the PDF version of the Lender Narrative to HUD, please also submit an electronic Word version.

Italicized text found between these characters <<*EXAMPLE*>> is instructional in nature, and may be deleted from the lender’s final version. Please use the gray shaded areas (e.g.,      ) for your response. Double click on a check box and then change the default value to mark selection (e.g., [x] ).

*<<Insert Project Photo>>*

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# Executive Summary

|  |  |
| --- | --- |
| **FHA number:** |  |
| **Project name:** |  |
| **Project location:** | *<<street address, city, county, and state>>* |
| **Lender’s name:** |  |
| **Lender’s contact:** |  | **Contact’s phone #:** |  |
| **Borrower:** |  |
| **Operator:** |  |
| **Management agent:** |  |
| **General contractor:** |  |
| **License holder:** | [ ]  Borrower [ ]  Operator [ ]  Management agent |
|  |

***Transaction Type:*** *Please check all that apply.*

|  |  |  |
| --- | --- | --- |
| **Change in Beds** | **Change in Land** | **Change in Collateral** |
| [ ]  Reduction of beds[ ]  Addition of beds[ ]  Sale of beds | [ ]  Easements[ ]  Eminent domain[ ]  Sale of land or other security | [ ]  Remodeling\*[ ]  Adding to property[ ]  Reconstructing[ ]  Demolishing portions  |
| *\*See* ***Instructions*** *section on page 1 for “remodeling” definition.* |

***Complete this table if there is a proposed change in the number or type of beds/units.***

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Licensed**  | **Operating** |  | **Licensed** | **Operating** |  |
| **Type of facility:** | [ ]  | **Skilled Nursing** *(SNF)***:** |       |  | **beds** |  |  | **units** |
|  | [ ]  | **Assisted Living** *(AL)***:** |       |  | **beds** |  |  | **units** |
| ***As Is*** | [ ]  | **Board & Care** *(B&C)***:** |       |  | **beds** |  |  | **units** |
|  | [ ]  | **Dementia Care:** |       |  | **beds** |  |  | **units** |
|  | [ ]  | **Independent Living** *(IL)***:** |       |  | **beds** |  |  | **units** |
|  |  | **Total:** |  |  | **beds** |  |  | **units** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Licensed**  | **Operating** |  | **Licensed** | **Operating** |  |
| **Type of facility:** | [ ]  | **Skilled Nursing** *(SNF)***:** |       |  | **beds** |  |  | **units** |
|  | [ ]  | **Assisted Living** *(AL)***:** |       |  | **beds** |  |  | **units** |
| ***As*** | [ ]  | **Board & Care** *(B&C)***:** |       |  | **beds** |  |  | **units** |
| ***Proposed*** | [ ]  | **Dementia Care:** |       |  | **beds** |  |  | **units** |
|  | [ ]  | **Independent Living** *(IL)***:** |       |  | **beds** |  |  | **units** |
|  |  | **Total:** |  |  | **beds** |  |  | **units** |

**Lenders Pre-Construction Conference Coordinator Information:**

|  |  |
| --- | --- |
| Name: |       |
| Email: |       |
| Phone: |       |
| Mailing address: |       |
|  |       |

# Continued Program Eligibility

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Upon completion of the proposed collateral change, will the facility require more than four residents to share a full bathroom (see 24 CFR 232.3)? *(Not applicable for SNFs.)* [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Upon completion of the proposed collateral change, will any residents be required to access a qualifying bathroom by moving through a public corridor or area (see 24 CFR 232.3)? *(Not applicable for SNFs.)* [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Upon the completion of the collateral change, are there any “minimum assistance” requirements necessary to quality under the Section 232 mortgage insurance program that the facility does not plan to offer?
 | [ ]  |  | **[ ]**  |
| 1. Are there floodways or coastal high hazard areas located on the site of any portion of the proposed collateral change? \*
 | [ ]  |  | **[ ]**  |

*<<If you answered “yes” to any of the questions above, this facility will no longer be eligible for HUD-insured financing. >>*

**\*Exception:** The floodway and coastal high hazard area prohibitions do not apply if only an incidental portion of the project is in the 100-year floodplain, or for critical actions, the 500-year floodplain, and certain conditions are met in accordance with 24 CFR 55.12(c)(7).

# Scope of Proposed Collateral Change

*<<Provide narrative description of the planned collateral change. The description should be sufficiently detailed to provide the HUD Account Executive and reviewers a reasonable understanding of the work involved to assess the impact on the subject facility and any value concerns. If Please provide a brief summary of any unique characteristics of the proposal and why the change is requested.>>*

*<<Provide narrative description of funding sources used for collateral change, including the need for any surplus cash note or other secondary financing.>>*

## Transaction Overview

If the subject transaction involves remodeling that meets the definition of substantial rehabilitation (as defined in the *Instructions* section on the first page of the application), adding to, subtracting from, reconstructing, or demolishing portions of the mortgaged property, you must also complete the ***Change in Collateral*** section of the Lender Narrative.

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Does the transaction involve a change in the current use (e.g., bed type, change in commercial space, or care level) of any portion of the project?
 | [ ]  |  | [ ]  |
| 1. Does the project have any open HUD or state compliance issues?
 | [ ]  |  | **[ ]**  |
| 1. Is the Borrower currently delinquent or has the Borrower previously been delinquent on its mortgage loan payments?
 | [ ]  |  | **[ ]**  |
| 1. Have 10 or more years passed since a Physical Condition Needs Assessment (PCNA) was provided to HUD? *(If yes, a PCNA is required with this submission.)*
 | [ ]  |  | **[ ]**  |
| 1. Will the current tenants of the subject project be impacted in any way by the proposed transaction?
 | [ ]  |  | **[ ]**  |
| 1. Will the proposal require relocation of any residents?
 | [ ]  |  | **[ ]**  |
| 1. Does the proposed transaction involve any significant ground disturbance (digging)?
 | [ ]  |  | **[ ]**  |
| 1. Does the proposal involve any collateral that was in place to mitigate an environmental condition?
 | [ ]  |  | **[ ]**  |
| 1. Are there any waivers proposed for this transaction?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion regarding the topic. As applicable, discuss the issue and its effect on the project. Describe any potential risks and the mitigants.>>*

# Risk Factors

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Upon completion of the proposed transaction, will the subject operate any portion of the project as a “special use facility”—one that serves a “niche” type of market (e.g., psychiatric facilities; drug, alcohol, or eating disorder recovery facilities)? *(See Handbook 4232.1, Section II, Production, Chapter 2.5E General Section 232 Requirements.)*
 | [ ]  |  | **[ ]**  |
| 1. Upon completion of the proposed transaction, will the subject operate any portion of the project as an Intermediate Care Facility (ICF), Institution for Mental Diseases (IMD), or any other type of facility that caters to a significant population with mental illness (MI), developmental disabilities (DD), or individuals with intellectual disabilities (IID)?
 | [ ]  |  | **[ ]**  |
| 1. Is the project located in a state with an Olmstead Plan, pending Olmstead cases, Olmstead settlement agreements, or is the project’s state active in initiatives to “right-size” nursing facilities, or otherwise working to “rebalance” long-term supports and services toward home and community-based settings? *(Note: The narrative discussion to a “yes” answer to this question should include a discussion of any of the state’s efforts above that might have an impact on the subject facility and what efforts the owner and/or operator will take to respond to these impacts. Be sure to reference the state’s strategy for moving the following populations: the elderly from skilled nursing facilities, individuals with intellectual or developmental disabilities (ID/DD) from ICFs, the physically disabled, non-elderly from skilled nursing facilities or the mentally ill from psychiatric facilities or other facilities, as appropriate).*
 | [ ]  |  | **[ ]**  |
| 1. Does the project rely on Medicaid Waivers or State Plan Options for a significant portion of its resident population, MI/DD residents, or for residents in the assisted living portion of a combined SNF/ALF Facility, subjecting it to HCBS Settings requirements? *(Note: The narrative discussion to a “yes” answer to this question should include a discussion of the facility’s compliance with the HCBS Settings requirements. The discussion might include the State’s progress in implementing the HCBS Settings Rule, references to the Statewide Transition Plan, CMS responses to or approval of the Plan, State Regulatory language, or State Medicaid Agency input. If it appears that the facility will not, or will not be able, to comply with the Rule, the Lender should provide a Sensitivity Analysis showing the project’s ability to operate without these residents).*
 | [ ]  |  | **[ ]**  |
| 1. Is the operator, parent company, affiliates or subsidiaries the subject of an ongoing investigation or judicial or administrative action involving any federal, state, municipal, and/or other regulatory authority that could have a detrimental impact on the operator’s financial condition or may jeopardize the operator’s license and/or its provider agreements?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

**Other Risk Factors Identified by Lender**

Additionally, the lender has identified the following risk factors:

*<<Provide discussion on other risk factors identified by the lender and how they are mitigated.>>*

# Strengths

<<*Provide discussion of the strengths of the transaction.*>>

# Reduction, Addition, or Sale of Beds *[ ]  Please check box if this section is not applicable, then click* [*here*](#EasementsEminentDomainEtc) *to skip this section*

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Does the transaction involve an increase or reduction in the number of beds at the project?
 | [ ]  |  | **[ ]**  |
| 1. Does the proposed transaction require approval by the state or other regulatory agency?
 | [ ]  |  | **[ ]**  |
| 1. Does the proposal require a change in the license?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion regarding the topic. As applicable, discuss the issue and its effect on the project. Describe any potential risks and the mitigants.>>*

## Independent Units: As-Is

***Program Guidance:*** *Handbook 4232.1, Section II Production, 2.5.F.*

Select all applicable statements:

|  |  |
| --- | --- |
| [ ]  | There will be NO unlicensed/independent beds at the subject. |
| [ ]  | There will be unlicensed/independent beds at the subject; however, the total does not exceed 25% of the total beds at the facility. |
|  |

|  |  |
| --- | --- |
| a. Total beds: |       |
| b. Unlicensed independent beds: |       |
| c. Independent beds as % of total: | *<<b / a>>* |

 |
|  |
| Independent Units: As-Proposed |
| Select all applicable statements: |
| [ ]  | There will be NO unlicensed/independent beds at the subject. |
| [ ]  |

|  |
| --- |
| There will be unlicensed/independent beds at the subject; however, the total does not exceed 25% of the total beds at the facility. |
|

|  |  |
| --- | --- |
| a. Total beds: |       |
| b. Unlicensed independent beds: |       |
| c. Independent beds as % of total: | *<<b / a>>* |

 |

 |

## Licensing/Certificate of Need/Keys Amendment

Total number of beds to be licensed:

[ ]  Check here if Lender has verified that the beds or units in operation are in compliance with the State licensing agency.

*<<Provide affirmative statement along the lines of: “The facility is licensed by the State of {State}’s Department of Health and Welfare as a {Type of Facility} for {X} beds. The license is issued to {Name of Entity on License}. It is effective {date}, through {date}. The license covers {number of beds}.”>>*

*<<Provide affirmative statement along the lines of: “There is no Certificate of Need (CON) requirement in {State} for {Type of Facility}.” – OR – “A Certificate of Need (CON), dated {XXX} was issued by the State of {State} authorizing XX beds…”>>*

*<<Applicable on projects with new construction or added units/beds: If a new/updated CON is required by the local regulatory authorities, it is to be issued to the current license holder. Provide affirmative statement along the lines of: “There is no Certificate of Need (CON) requirement in {State} for {Type of Facility}.” – OR – “A Certificate of Need (CON), dated {XXX} was issued by the State of {State} authorizing the addition of XX beds…”>>*

*<<Applicable to B&C’s: Provide affirmative statement along the lines of: “The State of {State} has certified its compliance with Section 1616(e) of the Social Security Act (Keys Amendment).”>>*

# Easements, Eminent Domain, or Sale of Land or Other Security*[ ]  Please check box if this section is not applicable, then click* [*here*](#CapitalImprovements) *to skip this section*

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Does the transaction involve a mandated judicial release (i.e., involuntary or eminent domain partial release of security)?
 | [ ]  |  | **[ ]**  |
| 1. Is the transaction a negotiated or voluntary partial release of security (i.e., the sale of a portion of the project land, part of a building, major assets, etc.)?
 | [ ]  |  | **[ ]**  |
| 1. Will the proposed transaction alter the legal description of the subject property?
 | [ ]  |  | **[ ]**  |
| 1. Will the value of the project be affected (i.e., increase or decrease) by a proposed partial release of security? *(If yes, an Appraisal must be provided with submission.)*
 | [ ]  |  | **[ ]**  |
| 1. Will the reimbursement (or sale) amount of the severed portion of the project differ from the cash value of the severed portion at the time of severance? N/A [ ]
 | [ ]  |  | **[ ]**  |
| 1. Does the Borrower wish to use the reimbursement for anything other than to pay down the mortgage? N/A [ ]
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

# Change in Collateral*[ ]  Please check box if this section is not applicable, then click* [*here*](#ALTA_LandTitleSurvey) *to skip this section*

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Will the proposed collateral change require an addition to be built on the existing property? *(Skip to next section if N/A.)*  [ ]  N/A
 | [ ]  |  | **[ ]**  |
| * 1. Will the addition be constructed on the existing property/land that is encumbered by the HUD-insured mortgage?
 | [ ]  |  | **[ ]**  |
| * 1. Will the addition be constructed on new property/land that is not encumbered by the existing HUD-insured mortgage?
 | [ ]  |  | **[ ]**  |
| 1. Will the addition have a use that is inconsistent with the existing approved use?
 | [ ]  |  | **[ ]**  |
| 1. Will the new addition be financed with funds secured by the subject HUD-insured facility and/or the new addition?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion regarding the topic. As applicable, discuss the issue and its effect on the project. Describe any potential risks and the mitigants.>>*

# Project Description

## Scope of Construction

<<*Narrative description of the planned improvements. The description should be sufficiently detailed to provide the HUD Account Executive and the HUD review appraiser a reasonable understanding of the work involved to assess the impact on underwriting and value concerns*.**>>**

## Proposed Improvement Description

### Site

*<<Brief narrative description about site to include location, topography, size, frontage, access, etc. >>*

### Building Description

*<<Provide narrative description to include “as-is” and “as-proposed” number of buildings; construction types; floor area; describe common areas; etc. >>*

### Zoning

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **[ ]**  | Legal Conforming | **[ ]**  | Legal Non-Conforming | **[ ]**  | Other |

*<<Provide narrative description: identify local jurisdiction; zoning designation; results of Zoning Letter provided in application submission; and discuss any variances, conditional uses, non-conformance or other pertinent issues affecting zoning.>>*

### Landscaping

*<<Provide narrative description about the “as-is” and “as-proposed” landscaping>>*

### Parking

*<<Provide narrative description about the “as-is” and “as-proposed” parking including the number of spaces, compliance with accessibility, adequacy of the parking, and any parking easements. Also, discuss any zoning or marketability issues.>>*

## Services

*<<Provide narrative description of “as-is” and “as-proposed” services to be provided. Identify which services will be included in rent and which services will be available for extra charges, as applicable.>>*

## Commercial Space/Income

|  |
| --- |
| ***Program Guidance:*** *Handbook 4232.1, Section III Asset Management, Chapter 3.9 Commercial Space* |

Select one of the following:

|  |  |
| --- | --- |
| [ ]  | There will be no commercial space at the subject. |
| [ ]  | There will be commercial space at the subject; however, it will not exceed the program limitations of 20% of the total net rentable area of the project and 20% of the effective gross income. |
|  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| a. Total net rentable area: |       |  | d. EGI: |       |
| b. Net rentable commercial area: |       |  | e. Eff. commercial income: |       |
| c. % of commercial area: | <<b / a>>  |  | f. % of commercial income: | <<e / d>> |

 |

*<<Provide further explanation, if necessary. If the facility does not meet either of the criteria above, additional review and waivers may be required before approval for the proposed change in collateral can be granted.>>*

### Bond Premium/Assurance of Completion

<<*Provide narrative discussion of either construction bond (bonding company, contractor’s bond capacity, etc.) or the Assurance of Completion escrow (15% or 25% of contract, cash or letter of credit, etc. Also, address whether the surety is listed on the Treasury Circular and is authorized to issue bonds in the state for the required amount*.*>>*

## Financial Statements – For Party or Parties Responsible for Financial Requirements <<enter party(ies) name(s) here>>

*<<Complete this section if the borrower entity does not have sufficient financial capacity.>>*

|  |  |
| --- | --- |
| Year to date:  |      *<<dates for start and end of period>>* |
| Fiscal year ending: |      *<<date – end of period>>* |
| Fiscal year ending: |      *<<date – end of period>>* |
| Fiscal year ending: |      *<<date – end of period>>* |

*<<Provide a discussion on the borrower’s financial capacity. Include the percentage of owner’s equity into the project. The discussion must address: (1) the borrower’s net worth; (2) liquidity; (3) the borrower’s ability to meet the cash requirements of the project; and (4) the borrower’s ability to meet the financial obligations of the project for the long term.>>*

*<<If Personal Financial and Credit Statement (Form HUD-92417-ORCF) is required, provide discussion on the individual’s financial capacity, net worth, and liquidity.>>*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Effective date**(*of HUD-92417*) | **Total assets** | **Net worth** | **Total liquidity** *(cash available)* | **Comments** |
|       | $      | $      | $      |       |

# Project Capital Needs Assessment (PCNA) *(Required if more than 10 years have passed since PCNA report has been submitted)*

|  |  |
| --- | --- |
| Date of Inspection: |       |
| Firm: |       |
| Needs Assessor: |       |
| Units Inspected: |       units (     % of units) |

The scope of the inspection consisted of a visual evaluation of the project site, building exteriors, roof, interior common areas, all mechanical rooms, and a sampling of resident units (as indicated above). The report was prepared in accordance with the Project Capital Needs Assessment Statement of Work.

Following is a summary of the PCNA conclusions.

|  |
| --- |
| **PCNA Repair Summary** |
|  | PCNA | Lender |
| Critical Repairs  |       |       |
| Non-Critical Repairs |       |       |
|  **Total Repairs:** |  |  |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Will replacement reserve funds be used to fund any of the required or proposed repairs? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Do any of the repairs require drawings and/or specifications? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Do any of the repairs require relocation of the tenants? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Will any of the repairs create vacancy issues requiring an operating deficit escrow? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Will any of the repairs require permits or locality approvals? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Will any of the repairs require a review by the state licensing authority? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Were any specialty reports (e.g., seismic, wood destroying organisms, etc.) required? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Has the lender suggested a lower dollar amount or fewer repairs than the Needs Assessor’s repair conclusions and are they justified? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Is further description and detail of the repairs needed in terms of inspectability (location and what the need is)? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Are there any non-compliance issues with respect to the design and construction requirements of the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act, including the applicable accessibility requirements (e.g. the Uniform Federal Accessibility Standards (UFAS), ADA Standards, and the Fair Housing Accessibility Guidelines)?
 | [ ]  |  | **[ ]**  |
| 1. Does the PCNA recommend any increases to the annual replacement reserve deposit over the next 15 years?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

## Lender’s Review and Modifications

*<<Lender should review the PCNA for any adverse impacts made by the change in collateral and provide a brief summary of any modifications made by the Lender. If none, state none. Example: “The PCNA’s analysis of reserve requirements included replacement of the facility’s bus/van. The Lender has deleted this item as it is not eligible for reimbursement from the replacement reserve account.”>>*

## Reserve for Replacement (R4R)

|  |
| --- |
| ***Program Guidance:*** *Handbook 4232.1, Section III Asset Management, Chapter 3.2 Reserve for Replacement Account* |

|  |
| --- |
| **Annual Replacement Reserve Deposit Summary** |
|  | Annually | Per Unit |
| Existing deposit to the reserve for replacement | $      | $      |
| Additional reserve for replacement proposed | $      | $       |
|  **Total** | $      | $       |

*<<Provide narrative discussion regarding how the above amounts were determined.>>*

# ALTA/ACSM Land Title Survey

|  |  |
| --- | --- |
| Date: |       |
| Firm: |       |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Are there any differences between the legal description on the survey and legal description included in the pro forma title policy, and Phase I (if applicable)?
 | [ ]  |  | **[ ]**  |
| 1. Are there any revisions or modification required to the survey prior to completion of the collateral change?
 | [ ]  |  | **[ ]**  |
| 1. Does the survey indicate any boundary encroachments?
 | [ ]  |  | **[ ]**  |
| 1. Does the survey evidence any buildings encroaching on utility or other easements or rights-of-way?
 | [ ]  |  | **[ ]**  |
| 1. Are there any unusual circumstances or items that require special attention or conditions?
 | [ ]  |  | **[ ]**  |
| 1. Has the legal description changed or will it change from the previously approved legal description?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated and the effect on value or the marketability of the project. For example, “****Encroachments****: The survey indicates an encroachment of the adjoining property fence on the easterly portion of the property. An encroachment endorsement will be received at closing. There is no impact on the value or marketability of the project.>>*

# Title

## Title Search

|  |  |
| --- | --- |
| Date of search: |       |
| Firm: |       |
| File number: |       |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Is the title currently vested in an entity or individual other than the borrower?
 | [ ]  |  | **[ ]**  |
| 1. Does the report indicate that delinquent real estate taxes are owed?
 | [ ]  |  | **[ ]**  |
| 1. Does the report indicate any outstanding special assessments?
 | [ ]  |  | **[ ]**  |
| 1. Does the report identify any outstanding debt that is not disclosed on the borrower’s listing of outstanding obligations?
 | [ ]  |  | **[ ]**  |
| 1. Are there or will there be any Use and Maintenance Agreements associated with this facility?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

## Pro-forma Policy

|  |  |
| --- | --- |
| Date/time: |       |
| Firm: |       |
| Policy number: |       |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Is the title vested in an entity or individual other than the borrower?
 | [ ]  |  | **[ ]**  |
| 1. Are there any covenants, encumbrances, liens, restrictions, or other exceptions indicated on Schedule B-1?
 | [ ]  |  | **[ ]**  |
| 1. Are there any use or affordability restrictions remaining in effect on the property?
 | [ ]  |  | **[ ]**  |
| 1. Are there any easements or rights-of-way listed that are not indicated on the survey?
 | [ ]  |  | **[ ]**  |
| 1. Are there any endorsements included aside from the standard HUD-required endorsements?
 | [ ]  |  | **[ ]**  |
| 1. Are there any subordination agreements, encroachments or similar issues that require HUD’s approval?
 | [ ]  |  | **[ ]**  |
| 1. Are there any other matters requiring special consideration, agreements, or conditions that require HUD’s attention?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion regarding the topic. For example, “****Additional Endorsements****: As described in the Risk Factors section of the narrative, the XXXX does not conform to the past or current zoning requirements. The lender recommends…>>*

# Environmental

|  |
| --- |
| ***Program Guidance:*** *Handbook 4232.1, Section II Production, Chapter 7 Environmental Review.****Important Note:*** *Change in Collateral applications must satisfy environmental review requirements as applicable.. Handbook 4232.1, Section III, Chapter 3.4.4 states that an environmental review as required by 24 CFR Part 50 will be conducted in accordance with Production Handbook, Chapter 7 on any proposal for remodeling, adding to, subtracting from, reconstructing, or demolishing a portion of the mortgaged project. Please note, the CPD memorandum on Guidance for Categorizing an Activity as Maintenance for Compliance with HUD Environmental Regulations, 24 CFR Parts 50 and 58 (CPD-16-02) only applies to determinations of whether an environmental review is required on refinance loans in Production/underwriting. This policy memo supersedes the memo dated March 28, 2006 on this subject.**Phase 1 Environmental Site Assessment and 4128 reviews are required if the proposed transaction includes:*1. *Significant ground disturbance (digging) or construction not contemplated in the original application.*
2. *A change in land use from commercial to residential.*
3. *Site expansion or addition.*
4. *Any activities that may result in contaminant exposure pathways or contaminant exposure activities not contemplated in the original application.*

*It is the lender’s responsibility to review the Phase I, if required, and all other environmental documentation to ensure that all environmental requirements are met. Many federal agencies require contact directly from HUD. This list includes, but is not limited to, State Coastal Zone Management councils, U.S. Fish and Wildlife Service, and local/regional Native American tribes. In this instance, please notify the ORCF Account Executive as early as possible, in advance of the application submission.* |

## Phase I Environmental Site Assessment (as applicable)

|  |  |
| --- | --- |
| Date of inspection: |       |
| Firm: |       |
| Consultant: |       |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Was the Phase I Environmental Site Assessment (ESA) performed in accordance with the scope and limitations of ASTM Practice E1527-13 (or the most current version)?
 | [ ]  |  | **[ ]**  |
| 1. Was the Phase I consultant provided with an accurate description of all repairs, site work, construction and/or demolition to be completed?
 | [ ]  |  | **[ ]**  |
| 1. Does the Phase I investigation include all of the following: 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; a survey of water sources; and a review of historical information.
 | [ ]  |  | **[ ]**  |

<<*Provide narrative explanation for any “no” answer above.*>>

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Does the Phase I ESA report recommend a Phase II assessment, other reports, or additional testing?
 | [ ]  |  | **[ ]**  |
| 1. Does the Phase I or II assessment indicate that remediation is required or ongoing?
 | [ ]  |  | **[ ]**  |
| 1. Does the Phase I ESA indicate that a monitoring well or testing well (operating or non-operating) is located on the site?
 | [ ]  |  | **[ ]**  |
| 1. Does the report indicate evidence of any chemical misuse or unlawful dumping at the site?
 | [ ]  |  | **[ ]**  |
| 1. Does the vapor encroachment screen amendment to the Phase I identify a “vapor encroachment condition” (VEC)? (*The vapor encroachment screen must be performed using the Tier 1 “non-invasive” screening pursuant to ASTM E 2600-10 or most recent edition.)*
 | [ ]  |  | **[ ]**  |
| 1. 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?
 | [ ]  |  | **[ ]**  |
| 1. Does the report indicate the presence or suspected presence of any underground storage tanks or aboveground storage tanks on the site?
 | [ ]  |  | **[ ]**  |
| 1. Does the report’s review of all major governmental databases for listings of potentially hazardous sites within the ASTM required search distances from the property identify any potential contamination concerns for the property?
 | [ ]  |  | **[ ]**  |
| 1. Do the Phase I or Phase II reports recommend any required repairs?
 | [ ]  |  | **[ ]**  |
| 1. Is the Phase I site inspection date more than 180 days before the date the application was submitted? A Phase I that was conducted more than 180 days before the application’s submission, but not more than one-year before the submission, must be updated pursuant to ASTM E 1527-13 or the most recent edition. *(A Phase I ESA that was originally conducted more than one year prior to the application’s submission date, even if updated within 180 days of submission, is not acceptable. ORCF is not able to waive this requirement.)*
 | [ ]  |  | **[ ]**  |
| 1. Does the land area in the Phase I differ from the land area in the survey?
 | [ ]  |  | **[ ]**  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

## Radon

**Program Guidance:** *Handbook 4232.1, Section II, Production, Chapter 7.8. Projects should follow the Substantial Rehabilitation guidance for the existing portion of the building and any addition should follow the New Construction guidance.*

|  |  |
| --- | --- |
| Date of Testing: |       |
| Firm: |       |
| Radon Professional: |       |
| Certification/License Information: |       |
| EPA Radon Zone: |       |

**Key Questions—Existing Building**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Was the radon report conducted by a qualified Radon Professional?
 | [ ]  |  | [ ]  |
| 1. Was testing performed no earlier than 1 year prior to application submission?
 | [ ]  |  | **[ ]**  |
| 1. Were occupants informed of the testing in the manner described in ANSI-AARST MALB-2014 (or more recent edition)?
 | [ ]  |  | [ ]  |
| 1. Is mitigation required due to radon levels at or above 4.0 picocuries per liter (4.0 pCi/L)? (If no, move on).
 | [ ]  |  | [ ]  |
| 1. Is a mitigation plan in compliance with ANSI-AARST RMS-LB 2014, Radon Mitigation Standards for Schools and Large Buildings included in the construction scope of work?
 | [ ]  |  | [ ]  |
| 1. Was an Operations and Maintenance Plan included in the application?
 | [ ]  |  | [ ]  |

*<<Provide narrative discussion of radon risk applicable to the subject project.>>*

**Key Questions—New Construction Portion of the Project**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Does the construction scope of work include radon resistant construction as required by Chapter 7.8?
 | [ ]  |  | [ ]  |

*<<Provide narrative discussion of radon risk applicable to the subject project.>>*

## Other Environmental Concerns

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Is the subject located within a designated coastal barrier resource area? *(If “no,” provide evidence.)*
 | [ ]  |  | **[ ]**  |
| 1. Noise:
 |  |  |  |
| 1. Is the subject located within 5 miles of a civil airport or within 15 miles of a military airfield?
 | [ ]  |  | **[ ]**  |
| 1. Is the project located within 1,000 feet of major highways or busy roads?
 | [ ]  |  | **[ ]**  |
| 1. Is the project located within 3,000 feet of a railroad?
 | [ ]  |  | **[ ]**  |
| 1. Is the subject’s marketability impacted by noise?
 | [ ]  |  | [ ]  |
| 1. Are there existing or proposed stationary tanks containing explosive or fire-prone materials on the site or nearby the site that are visible from satellite images or site reconnaissance?
 | [ ]  |  | **[ ]**  |
| 1. Was a safety letter from the state or local fire department NOT provided for each tank? [ ]  N/A
 | [ ]  |  | [ ]  |
| 1. Are there any wetlands on or adjacent to the subject site?
 | [ ]  |  | **[ ]**  |
| 1. If so, will the project impact or disturb wetland areas or their buffer zones? [ ]  N/A
 | [ ]  |  | **[ ]**  |
| 1. Are any repairs or modifications to the project likely to affect any listed or proposed endangered or threatened species or critical habitats?
 | [ ]  |  | **[ ]**  |
| 1. Is the subject located on a sole source aquifer?
 | [ ]  |  | **[ ]**  |
| 1. Are there any known landfills within ½-mile of the site?
 | [ ]  |  | **[ ]**  |
| 1. Is the project subject to an Activity and Use Limitation, Engineering Control, and/or Institutional Control related to an environmental concern? *(If so, provide the information to the Phase I environmental consultant.)*
 | [ ]  |  | [ ]  |
| 1. Does the project utilize a private water supply? *(If so provide evidence that the water quality meets local, state or Federal standards; for example, evidence that the water meets the EPA Primary Drinking Water Standards.)*
 | [ ]  |  | **[ ]**  |
| 1. Does the project involve a private sewage treatment system?
 | **[ ]**  |  | **[ ]**  |
| 1. Are any on-site structures located within the easement of an overhead high voltage transmission line?
 | [ ]  |  | [ ]  |
| 1. Are any buildings located in the fall zone of a support structure for high voltage transmission lines or any other towers?
 | [ ]  |  | **[ ]**  |
| 1. Is any structure located within 10 feet of an easement for a high-pressure gas or liquid petroleum transportation pipeline?
 | [ ]  |  | [ ]  |
| 1. Is a residential structure located within 300 feet of an operating or abandoned oil or gas well? *(If so, refer to Handbook 4232.1, Section II Production, 7.5.K.3.)*
 | [ ]  |  | [ ]  |
| 1. Do any of the repairs or improvements change the footprint of the building(s)?
 | [ ]  |  | **[ ]**  |
| 1. Does the project site include a structure that was built before 1978? *(If no, move on.)*
 | [ ]  |  | **[ ]**  |
| 1. Was a comprehensive asbestos survey performed by a qualified asbestos inspector pursuant to the “baseline survey” requirements of ASTM E 2356-10 (or most recent edition) NOT provided? *(Required for all buildings constructed before 1978. If provided, check “No.”)*
 | [ ]  |  | [ ]  |
| 1. Did the asbestos survey identify any friable and/or damaged asbestos?
 | [ ]  |  | [ ]  |
| 1. Does the project involve asbestos removal? *(Asbestos removal may involve additional risk, and may have a direct impact on residents and workers, and ongoing facility operations.)*
 | [ ]  |  | [ ]  |
| 1. Does the proposal include demolition of a structure that was built before 1978? *(If “no”, move on.)*
 | [ ]  |  | [ ]  |
| 1. Was a comprehensive asbestos survey performed by a qualified inspector pursuant to the “pre-construction survey” requirements of ASTM E 2356-10 (or most recent edition) NOT provided?
 | [ ]  |  | [ ]  |
| 1. Other than the aforementioned, are there any other environmental issues identified by the Phase I or II reports or lender’s due diligence?
 | [ ]  |  | [ ]  |
| 1. Was a floodplain map with the subject site clearly marked on it NOT provided?
 | [ ]  |  | [ ]  |
| 1. Was a preliminary or pending flood map of the project’s location available on the FEMA website? *(If so, provide a copy of this map with the subject site marked on it.)*
 | [ ]  |  | [ ]  |
| 1. Was a wetland map with the subject site clearly marked on it NOT provided?
 | [ ]  |  | [ ]  |

*<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>*

### Site Work, Ground Disturbance or Digging

|  |
| --- |
| ***Program Guidance:*** *Handbook 4232.1, Section II Production, Chapter 7.5 Environmental ReviewIf the proposed transaction includes any ground disturbance and tribal consultation is required, the ORCF Account Executive should be notified as early as possible or upon submission of your request for this transaction so that a Tribal Consultation can be initiated by HUD. The documentation required for this early submission, outlined in Exhibit 25 of the “Requests to Release or Modify Original Loan Collateral Checklist” form, should be sent to the following email address: OHPTribeNotice@hud.gov. Include the Tribal Notification documents as described in the Collateral Change Checklist.Examples of ground disturbance include, but are not limited to, tree removal, burying a tank, new parking, changes in building footprint, adding a new fence, etc. If there is uncertainty regarding what may constitute ground disturbance, contact* *OHPTribeNotice@hud.gov* *in advance of application submission.* |

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Will there be any site work, construction, ground disturbance or digging? *(If “no,” move on.)*
 | [ ]  |  | [ ]  |
| 1. Was a request for Tribal Consultation with Tribal Notification submitted to OHPTribeNotice@hud.gov in advance of application submittal?
 | [ ]  |  | [ ]  |
| 1. Was a site plan provided that describes where site work, ground disturbance, and/or digging will occur?
 | [ ]  |  | [ ]  |
| 1. Was documentation provided showing that a Section 7 Endangered Species review was completed?
 | [ ]  |  | [ ]  |
| 1. Was evidence that the project is in compliance with the State’s Coastal Zone Management Program provided if located in a designated coastal zone? [ ]  N/A
 | [ ]  |  | [ ]  |
| 1. Did the correspondence with the State Historic Preservation Office (SHPO) accurately reflect the proposed site work, ground disturbance, or digging as well as any planned repairs and/or construction?
 | [ ]  |  | [ ]  |
| 1. Are there any wetlands on or adjacent to the site that could be potentially impacted by the construction or site work either directly or indirectly via drainage, etc.?
 | [ ]  |  | [ ]  |
| * 1. If “yes,” was HUD contacted in advance to conduct an 8-Step decision-making process review?
 | [ ]  |  | [ ]  |
| 1. Is the project site located in a flood plain?
 | [ ]  |  | [ ]  |
| * 1. If the footprint of the building or pavement will be significantly increased, was HUD contacted in advance to conduct the 8-step decision making process (24 CFR Part 55.20)?
 | [ ]  |  | [ ]  |

<<*Provide relevant narrative for above questions.>>*

### State Historic Preservation Office (SHPO) Clearance

*<<Provide narrative description indicating whether or not SHPO has been contacted, information sent to SHPO, and any response received. For example: “Since we are not making changes to the exterior of the building, there is no impact on any historical property.”>>*

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Was the SHPO contacted?
 | [ ]  |  | **[ ]**  |
| 1. Was the SHPO website for the project’s state reviewed for any specific information required by that SHPO and was this information provided?
 | [ ]  |  | **[ ]**  |
| 1. Was all correspondence with the SHPO provided in this application?
 | [ ]  |  | **[ ]**  |
| 1. Are there any known historic preservation issues related to the subject? .
 | [ ]  |  | **[ ]**  |
| 1. Have any other archeological or cultural resource centers been consulted?
 | [ ]  |  | **[ ]**  |

*<<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 indicate if a response has not been received. If the SHPO concluded that the proposed project will have an adverse effect, please explain how this will be mitigated.>>*

### Area of Potential Effects

|  |
| --- |
| ***Program Guidance:***  *Handbook 4232.1, Section II Production, Chapter 7 Environmental Review.In situations where the SHPO was contacted, provide a description of the Area of Potential Effects (APE) that was included in the correspondence that was sent to the SHPO.* |

*<<Provide a narrative discussion on the Area of Potential Effects. For example: “The subject is located in the X Historic District, so we have determined that the APE is the entire Historic District.” Or, “The subject is not located near any properties that are on or eligible for the National Register of Historic Places, so the APE is only the subject site., etc. >>*

### Flood Plain

|  |  |  |  |
| --- | --- | --- | --- |
| NFIP Map Panel #: |       | Date: |       |
| Flood Zone: |       |  |  |

<<*When in Zone X, indicate whether it is designated as X “shaded” or “unshaded.” When the site is located in multiple flood zones, identify each zone designation. For example: “X (unshaded), X (shaded), AE.”*>>

**Key Questions**

|  | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 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 for or does not participate in the NFIP, is not eligible for mortgage insurance.)*
 | [ ]  |  | **[ ]**  |
| 1. Is flood insurance required for this property?
 | [ ]  |  | **[ ]**  |
| 1. Is the subject located within a 100- year flood plain (1% annual chance flood) or 500-year flood plain (0.2% chance of annual flood)? *(If “no,” move on.) (Use the effective FEMA Flood Insurance Rate Map (FIRM) or, when FEMA provides interim flood hazard data such as Advisory Base Flood Elevations, preliminary or pending maps, use the latest of these sources except when the base flood elevations from interim data are lower than the elevations on the current FIRM.)*
 | [ ]  |  | **[ ]**  |
| 1. If located in a 100-year or 500-year flood plain, was the 8-step documentation provided in accordance with the requirements of the application submission (see the “Requests to Release or Modify Original Loan Collateral Checklist”)?
 | [ ]  |  | **[ ]**  |

*<<Provide a narrative discussion evaluating the flood plain exhibits.)>>*

# Circumstances that May Require Additional Information

In addition to the information required in this narrative, depending upon the facility for which mortgage insurance is provided, the mortgagor, operator, management agent and such other parties involved in the operation of the facility, current economic conditions, or other factors or conditions as identified by HUD, HUD may require additional information from the lender to accurately determine the strengths and weaknesses of the transaction.  If additional information is required, the questions will be included in an appendix that accompanies the narrative.

# Special Commitment Conditions

*<<List any recommended special conditions. If none, state “None.”>>*

1.
2.

# Conclusion

*<<Provide narrative conclusion and recommendation.>>*

# Signatures

Lender hereby certifies that the statements and representations of fact contained in this instrument and all documents submitted and executed by lender in connection with this transaction are, to the best of lender’s knowledge, true, accurate, and complete. Lender hereby recommends approval of this submission. This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD and may be relied upon by HUD as a true statement of the facts contained therein.

|  |  |
| --- | --- |
| Lender: |       |
| HUD Mortgagee/Lender No.: |       |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| This report was prepared by: | Date |  | This report was reviewed by: | Date |
|      *<<Name>>*     *<<Title>>*     *<<Phone>>*     *<<Email>>* |  |  |      *<<Name>>*     *<<Title>>*     *<<Phone>>*     *<<Email>>* |  |

|  |  |
| --- | --- |
| This report was reviewed, and the site inspected by: | Date |
|      *<<Name>>*     *<<Title>>*     *<<Phone>>*     *<<Email>>* |  |

1. *The Healthcare Regulatory Agreements for Borrower, Operator and Master Tenant require written approval from HUD prior to remodeling, adding to, subtracting from, reconstructing, or demolishing a portion of the mortgaged project. “****Remodeling”*** *is defined as repairs/improvements that constitute “****Substantial Rehabilitation”*** *(Please see Handbook 4232.1, Section II Production, Chapter 2.6.B).*

*A project qualifies as a* ***“Substantial Rehabilitation”*** *project when:*

*Hard costs exceed 15% of the project’s value after completion of improvements****.*** *(Note: No new appraisal is needed. Lender/Applicant may present evidence of reasonable value (i.e., cap rate, current income/assets, original appraisal, etc.). OR*

*Two or more major building components are being substantially replaced. The component must be significant to the building and its use, normally expected to last the useful life of the structure, and not minor or cosmetic. Substantially replaced means that at least 50% of the component must be replaced. Examples of major building components are: roof structures, wall or floor structures, foundations, plumbing systems central heating systems, air conditioning systems, and electrical systems.* [↑](#footnote-ref-1)