

Construction Underwriting Submission Checklist for Manufactured/Modular Homes

Borrower(s): _____

Upload all docs to Webtrac

E-mail NCF's underwriter underwriting@ncfunding.net & cc: OTC Dept. onetimeclose@afrrwholesale.com

- NCF Construction Loan Registration Form
- American Financial Resources Approval
- ***Proposed Plot Plan** completed by Retailer: Must show proposed placement of Home, Septic, and Well on property and distances between each
- ***Mfg/Modular Home Construction Draw Disclosure**
- ***Mfg/Modular Home Construction Requirements for FHA/RHS Loans**
- ***Disbursement Authorization and Appointment of Agent:** If not executed, borrower's approval will be required for each interim draw
- ***Agreement Regarding Payment of Interest**
- ***FHA Construction/Permanent Loan Disclosure:** Must also be included in the Permanent Lender's HUD Case Binder
- ***HUD-92541 Builder's Certification:** Items 2,3,4 & 8 must be marked if a Manufactured Home & items 2 thru 7 if a Modular Home
- ***Doc Prep Worksheets:** In most cases, these will be prepared & sent to us by the Lender's Closing Dept.
- Retailer Must Be Approved by NCF: ***See NCF Builder/Retailer Approval Packet** (only need once)
- Lender's Credit Underwriting Approval: All non-construction related items must be cleared prior to closing
- Title Commitment, Insured Closing Letter to the lender (not NCF), Wire Instructions & Estimated HUD-1
- Structural Engineer Certification of the FHA Foundation Plans (Mfg Homes Only): Per HUD, the certification must be site specific, stamped by an engineer licensed within the state, and certify that the design meets the HUD Permanent Foundations Guide for Manufactured Housing (9/96 Version)
- Initial Boundary Survey of Lot (if required by Permanent Lender and/or Title Company)
- Property Tax Information (e.g., Tax Certificate)
- Mfg/Modular Home Construction Cost Breakdown (included with NCF Calculation Results) every line item to be fully completed
- Mfg/Modular Home Purchase Agreement worksheet (included with **NCF Calculation Results**)
- Purchase Agreement/Contract for Home & Improvements (Use separate contract for Land even if Retailer is also the Land Seller)
- Manufacturer's Invoice for Home w/Serial Numbers and Payoff Information (when available)
- MCO/MSO: Copy only. (when available) Original is to be sent to Settlement Agent upon payoff of unit(s)
- Floor Plan, Sales Brochure, Manufacturer's Specifications: If Modular Home, signed **HUD-92005 Description of Materials** is required
- Structural Engineer's Certification of the Foundation Plans (Mfg Homes Only): Per HUD, the certification must be site specific, stamped by an engineer licensed within the state, & certify that the design meets the HUD Permanent Foundations Guide for Manufactured Housing (9/96 Version)
- Permits: _____ Building _____ Well _____ Septic (when available)
- Subcontractor Bids: _____ Foundation _____ Well _____ Septic (if available) _____ Private Well _____ Public Water _____ Private Septic _____ Public Sewer
- Land Acquisition Information: Current Purchase Contract between Land Seller and Borrower(s) or if owned, Copy of Deed and Payoff Statement
- Appraisal: E-mail to appraisal@ncfunding.net Value \$ _____
- Two years of W-2s & one paystub dated within 30 days of Application
- Signed Form 4506-T
- TIL/ GFE/ breakdown GFE
- Case Numbers Assignment Confirmation – Program ID coded must reflect #36 for a Const/Perm Loan & Construction Type should reflect "Proposed"
- Initial 1003 & HUD/VA Addendum (92900a) signed by Lender/Broker & Borrowers
- Initial Disclosure: Initial TIL, Important Notice to Homebuyer (92900b), Informed Consumer Choice Disclosure, & Notice of Assumability
- Copy of Check(s) for Borrower's Deposits to Retailer and/or Land Seller
- Final Credit Report for all borrowers
- Property Tax Cert
- Homeowner's Insurance Binder w/ Invoice: Coverage amount must be acceptable to the Lender
- Final Form 1003 & HUD/VA Addendum to URLA (HUD-92900-A)

(AFR Internal Use Only)

- CAIVRS for all borrowers
- Flood Certificate and if the property is in a flood plain an Initial Elevation Certificate is required
- 2 Years tax transcripts
- Final Credit Report for all borrowers
- Final AUS Findings – To be sent at Doc Prep
- Last Disclosed: a) TIL, b) Good Faith Estimate, & c) Breakdown of GFE (e.g. Initial Fees Worksheet or similar)
- Final Signed
 - a) UW & Transmittal Summary (92900-LT),
 - b) Conditional Commitment (92800.5B) &
 - c) DE Approval (92900-A Pg.3)-to be sent by AFR at Doc Prep
- Lender's Interest Rate Lock Confirmation



NATIONAL CAPITAL FUNDING, LTD.

OTC CONST/ PERM LOAN REGISTRATION FORM

This form MUST be completed to register your loan with NCF and MUST be submitted prior to loan submission.

PLEASE MAKE SURE THAT ALL SECTIONS ARE COMPLETED.

Loan & Originator Information:

Date Registered: _____

Permanent Lender: _____ Loan #: _____ Loan Amt: _____

Land:

- ☐ Owned/ Gifted
☐ Purchasing

Loan Type:

- ☐ Conventional
☐ FHA
☐ RHS

Construction Type:

- ☐ Manufactured
☐ On-Frame Modular
☐ Off-Frame Modular
☐ Site-Built

Originator's Company Name: _____ Branch # _____

Originator: _____ Processor: _____

Phone: _____ Fax: _____ E-mail: _____

Borrower & Property Information:

Borrower: _____
First Middle Last

Co-Borrower: _____
First Middle Last

Property Address: _____

City: _____ County: _____ State: _____ Zip: _____

Retailer/ Builder Information:

Company Name: _____ Contact: _____

Address, City, State, Zip: _____

Phone: _____ Fax: _____ E-mail: _____

Title Company Information:

Company Name: _____ Closer: _____

Address, City, State, Zip: _____

Phone: _____ Fax: _____ E-mail: _____

PLOT PLAN

* MUST BE IN COMPLIANCE WITH HUD HANDBOOK 4145.1 REV-2, 2-4 and 2-5. *

Note: Professional Drawing can be attached.

LEGEND

BORROWER NAME:		MH	Location of Mfg/Modular Home
CO-BORROWER NAME:		W	Location of Water Well System
PROPERTY ADDRESS OR LEGAL DESCRIPTION:		S	Location of Septic System
		DF	Location of Septic Drain Field
		CW	Location of City Water System
		CS	Location of City Sewer System

HUD Minimum Well Distance Requirements (from HUD Handbook 4190.1, Appendix K):

Well to Foundation/Chemically Treated Soil	- 25 feet minimum	List Proposed Distance:
Well to Septic Tank	- 50 feet minimum	List Proposed Distance:
Well to Drain Field	- 100 feet minimum	List Proposed Distance:
Well to Property Line	- 10 feet minimum	List Proposed Distance:

When both an individual water supply system (well) and septic system are being utilized, prior to the Final Disbursement the Retailer/Builder will be required to provide a professional drawing, plat, or survey by the local municipality or surveyor showing that HUD's minimum distance requirements have been met. As evidenced by signature below, the Builder/Retailer agrees and understands their responsibility concerning the HUD Minimum Well Distance Requirements and their responsibility to provide evidence that HUD's requirements have been met.

BUILDER/ RETAILER SIGNATURE: _____

DATE: _____

Manufactured/ Modular Home Construction Draw Disclosure

On Manufactured/Modular Homes the Retailer is allowed up to three interim draws (including the final draw) after closing. Upon receipt of a request by the Retailer for a construction draw, National Capital Funding, Ltd. (NCF) will immediately order an inspection of the construction project. NCF will choose an inspector from their list of approved agents. The Inspector will inspect the property, take photographs, and forward the report to NCF.

Upon receipt of the inspection report, NCF will match the report with the Mfg/Modular Home Construction Cost Breakdown to determine the draw amount. All draws are based on a line item percentage of completion. See "NCF One-Time Close Guide for Mfg/Modular Home Retailers" for an example. NCF will then advise the Interim Funding Source to wire the funds to the Settlement Agent. NCF will provide Disbursement Instructions to the Settlement Agent for further disbursement to the Retailer and/or Floorplan Source/Factory (when paying off the factory invoice cost of home).

Closing

- If the home is offline, factory invoice available, and proper insurance in place covering NCF ISAOA, the Manufacturer's Invoice Cost of the Home can be funded directly to the factory/floorplan source at closing.
- With written request from the Retailer prior to closing doc preparation along with backup documentation, NCF can fund/reimburse Building Permits, Impact Fees, and the like at closing. However, no other upfront draw will be given to the Retailer at closing.

Interim Draws

- It is at the Retailer's discretion when or if they take any interim draws prior to the final draw.
- Line-Item Percentage of Completion Method will be used to determine draw amounts for site improvements.
- Interim draws can be used to pay for site improvements in place. A collateral inspection is required when a draw for site improvements is requested. NCF will order/pay for the collateral inspection.
- Interim draw can be used to payoff Manufacturer's Invoice Cost of Home. If paying home only, no collateral inspection is required.
- If additional draws beyond the three maximum allowed are needed, the Retailer will be charged \$150/draw at the time the draw is disbursed.
- Provided the work is in place to substantiate the draws, NCF will fund up to **80%** of the Retailer's Contract Price prior to the final draw.

Final Draw

The final draw will fund all remaining completed improvements and will be funded once NCF receives, and Lender has approved, all remaining funding conditions. **Retailer is to advise NCF Construction Servicing Dept. when the project is complete so NCF can order the final inspection from the FHA Fee Inspector.** NCF will pay for the final inspection when required. Any cost for failed inspections will be deducted from the Retailer's final draw.

Before requesting the final draw, the Retailer is responsible for providing all construction related conditions requested of NCF including, but not limited to, the following:

- *Affidavit of Completion and Indemnity signed by Retailer in the presence of a notary.
- *Affidavit of Completion and Acceptance signed by Borrower(s) in the presence of a notary.
- *Final Waiver and Release of Lien signed by Retailer in the presence of a notary.
- *Borrower's Certification that construction portion of loan is fully drawn down.
- *HUD 92544 Warranty of Completion signed by Retailer and Borrower(s)
- *Modification Agreement (if necessary) signed by Borrower(s) in the presence of a notary.
- Final "As Built" Placement Survey showing home location on property (if required by the Settlement Agent and/or Lender)
- **Initial Compliance Inspection by FHA Fee Inspector (commonly referred to as an open-hole or prepour inspection) or Evidence of a HUD Approved 10 Year Warranty
- HUD-NPMA-99-A Subterranean Termite Treatment Builders Certification and Guarantee completed by Retailer indicating type of treatment used (required in most states)
- HUD-NPMA-99-B New Construction Subterranean Termite Soil Treatment Record completed by Pest Control Company (if soil treatment method was used)
- Local Authority's Approval of Well or acceptable Well Water Test Results including lead, nitrates, nitrites, total coliforms, and e. coli/fecal coliforms (if private well)
- Local Authority Approval of Individual Septic System
- Drawing, Plat, or Survey showing location and distances between Well, Septic Tank and Drain Field, and Property Lines (if both well and septic)

* Forms provided by NCF to Retailer

** On Modular Homes only, if the local authority issues both a Building Permit and Permanent Certificate of Occupancy, they can be used in lieu of the Initial Inspection/10 Year Warranty and Final Inspection.

When all funding requirements have been met and received by NCF, we will review and forward to the Lender for their final review and approval. A Funding Advice by NCF will also be forwarded to the Lender requesting the permanent portion of the loan to be funded and wired to the Settlement Agent. NCF will then forward final Disbursement Instructions to the Settlement Agent for disbursement of the Final Draw to the Retailer.

RETAILER'S COMPANY NAME

APPLICANT'S SIGNATURE

DATE

RETAILER'S SIGNATURE

DATE

CO-APPLICANT'S SIGNATURE

DATE

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- HUD-NPMA-99-B New Construction Subterranean Termite Soil Treatment Record completed by Pest Control Company (if soil treatment method was used)
- Local Authority's Approval of Well or acceptable Well Water Test Results including lead, nitrates, nitrites, total coliforms, and e. coli/fecal coliforms (if private well)
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RETAILER'S COMPANY NAME

APPLICANT'S SIGNATURE

DATE

RETAILER'S SIGNATURE

DATE

CO-APPLICANT'S SIGNATURE

DATE

Manufactured/ Modular Home Construction Requirements for FHA/ RHS Loans

Borrower: _____

Retailer: _____

Structural Engineer's Cert of the Foundation Plans for Manufactured Homes:

A structural engineer licensed within the state that the property is located is required to certify the design of the permanent foundation on a Manufactured Home. The certification and plans are to be site specific and the engineer is to certify that the foundation design meets HUD-7584 HUD Permanent Foundations Guide for Manufactured Housing (9/96 version). This certification and associated plans must be provided prior to closing and is the responsibility of the Retailer to provide.

Initial Inspection by FHA Fee Inspector or Evidence of 10 Year Warranty:

On a Manufactured Home, the Retailer will be required to provide either an Initial Inspection (aka prepour or open-hole inspection) by an FHA Fee Inspector reported using from HUD-92051, Compliance Inspection Report, or evidence of a HUD approved 10 year warranty plan. The Final Inspection by an FHA Fee Inspector will be ordered and provided by NCF once we have been notified that project is complete and ready for inspection by the Retailer.

On a Modular Home, the Retailer has the same option outlined above for a manufactured home or in lieu of the FHA inspections and/or 10 Year Warranty can provide both the local authority's Building Permit and permanent Certificate of Occupancy.

Termite Treatment:

Termite treatment is required in most states. Chemical soil treatment, EPA registered bait treatments, pressure preservative treated wood, naturally termite resistant wood, or any combination of these methods is required for maximum protection against termites. The Retailer will be required to complete and provide HUD-NPMA-99-A, Subterranean Termite Builder's Protection Guarantee, indicating which method of treatment was used. If chemical soil treatment is the method used, the Retailer will be required to provide HUD-NPMA-99-B, New Construction Subterranean Termite Service Record, completed by the Pest Control Company utilized.

Final Survey:

The Final Survey showing the location of the home on the property is typically required by the Closing Agent in order to issue a final title policy with no survey exceptions. If the Closing Agent and/or the Permanent Lender require the Final Survey, it is the full responsibility of the Retailer to provide it to NCF prior to the release of the final draw.

Septic System Approval by Local Authority:

If a septic system is being utilized, it is the responsibility of the Retailer to provide the local authority's approval of the system for the new home.

Water Well Approval by Local Authority:

If an individual water supply is being utilized, it is the responsibility of the Retailer to provide the local authority's approval of the well for the new home. In the event, the local authority does not issue approvals for an individual water supply, the Retailer will be responsible for providing an acceptable Well Water Test for Total Coliforms, E. Coli/Fecal Coliforms, Nitrates, Nitrites, and Lead. The results must reflect that the water meets EPA standards (or local standards if more stringent).

Perimeter Enclosure:

The perimeter enclosure shall be a continuous wall (whether bearing or non-load bearing) that separates the crawl space from backfill and keeps out vermin and water. The enclosure must be adequately secured to the perimeter of the unit and allow for proper ventilation of the crawl space. The enclosure is to be designed to resist all forces to which it is subject without transmitting forces to the building superstructure. Also, the enclosure shall be adequately secured to the perimeter of the home and be constructed of materials that conform, accordingly, to HUD Minimum Property Standards (MPS) (such as: concrete, masonry, or treated wood) and the PFGMH for foundations. On FHA loans, vinyl skirting can only be used if reinforced in compliance with the HUD guidelines. On USDA RHS loans, vinyl skirting is not permitted.

NCF will require the Retailer to act as general contractor (also called construction coordinator) and as such, all responsibility of the completion of the home and improvements will be upon the Retailer. The borrower cannot be responsible for any of the work or construction.

As evidenced by signature below, the Retailer/General Contractor agrees and understands their responsibility concerning the construction requirements detailed above. Retailer/General Contractor also understands that these requirements could change without notice or liability.

Retailer/General Contractor's Signature

Date

DISBURSEMENT AUTHORIZATION AND APPOINTMENT OF AGENT

EXECUTION of this DOCUMENT is OPTIONAL

The undersigned Applicant hereby authorizes approved Title Company to disburse loan advances to _____ (General Contractor) during construction of my home located at _____ (property address).

The final disbursement, including the retainage, if any, will be made upon execution and delivery of (i) the Affidavit of Completion and Indemnity by Contractor and (ii) the Affidavit of Completion and Acceptance by Applicant.

Applicant hereby appoints Contractor as Applicant's duly authorized agent for purposes of taking any and all actions (including, but not limited to, submissions of requests for loan advances for construction in the manner and on the forms prescribed by National Capital Funding, Ltd.) necessary on Applicant's behalf to obtain advances or draws pursuant to the Loan Agreement, to be executed at closing, between Applicant and Lender.

This appointment shall continue in the event of any subsequent disability of Applicant.

Applicant's appointment of Contractor hereunder may be revoked only by written revocation signed by Applicant, which revocation shall not be effective until received by both Contractor and National Capital Funding, Ltd. at the appropriate address as follows:

Contractor: _____

Attn: _____

Servicer: National Capital Funding, Ltd.

Attn: Construction Servicing Dept.

14405 Walters Road, Suite 350, Houston, TX 77014

Executed this _____ day of _____, _____, to be effective the date of the Loan Agreement.

Applicant's Signature

Co-Applicant's Signature

Accepted:

General Contractor's Name

General Contractor's Signature and Title

Agreement Regarding Payment of Interest

WHEREAS, the undersigned, _____ (General Contractor) and

_____ [Applicant(s)] anticipate entering into various agreements for the installation and completion of certain improvements (the "Improvements") upon the following described land, (the "Land") to wit:

WHEREAS, Applicant may enter into and make a loan with _____ (Permanent Lender) for the funds necessary to purchase the Land, and install, construct and complete the Improvements on the Land, which Loan will be evidenced by a note (the Note), executed as of the date thereof, by Applicant and payable to Lender, and which Note is secured by Deed of Trust and/or Mortgage covering the Land and the Improvements; and

WHEREAS, the Loan will provide for draws or advances to be made for payment to the General Contractor of certain progress payments and also for payment of interest due to the Lender during the course of the construction and installation of the Improvements; and

WHEREAS, under the terms of the contract between the General Contractor and the Applicant for the construction and the installation of the improvements (also known as the Mechanics and Materials Lien Contract and/or Construction Contract, herein referred to as the "Contract"), General Contractor will pay, or reimburse the Applicant, for the interest payments on the Note during the construction and installation of the Improvements; and

WHEREAS, General Contractor and Applicant wish to evidence their agreement regarding same should they enter into the Contract.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THAT:

Applicant will be obligated to pay to the Lender, pursuant to the terms of the Note, the interest as it accrues on the Note.

General Contractor will give Applicant a credit on sums due under the Contract equal to the sums paid by Applicant towards the accrued interest on the Note from the date thereof up to and including the Date of Completion of the Improvements, whether such sums are paid by Applicant direct or through advances under Applicant's Loan. Lender will provide statements to Applicant itemizing the interest advanced during the construction and installation of the Improvements. From and after the Date of Completion of Improvements, the Applicant will continue to pay such interest in accordance with the terms of the Note however; no further credit will be given Applicant by the General Contractor on the sums due under the Contract. Date of Completion of Improvements shall mean the date that the final draw or advance is made to the Applicant/General Contractor under the terms of the Loan.

Nothing herein shall relieve the Applicant from his obligation to the Lender, to pay the interest to the Lender during the term of the Note, and each party hereby acknowledges that this agreement for the payment of interest is an agreement as between only the undersigned.

Executed this the _____ day of _____ 20__.

GENERAL CONTRACTOR'S COMPANY NAME

APPLICANT'S SIGNATURE

GENERAL CONTRACTOR'S SIGNATURE

CO-APPLICANT'S SIGNATURE

FHA CONSTRUCTION/ PERMANENT LOAN DISCLOSURE

FHA Case Number: _____

In reference to the contract between _____ [Borrower(s)] and
_____ (General Contractor) for a

property to be constructed at _____
(Property Address) the General Contractor agrees that all construction loan costs will be paid by the General Contractor, including (but not limited to) construction loan interest, construction commitment fees, inspection fees, title update fees, real estate taxes during the construction period, hazard and/or builder's risk insurance, and any other financing charges incurred during the construction period, unless specifically stated otherwise in the contract per FHA Mortgagee Letter 92-25 and FHA Handbook 4155.1, REV.4, CHG. 1:2-16 (9-1-95).

Borrower(s) and General Contractor are also aware that once a permanent loan rate is locked with the originating lender/broker there is a maximum number of days (depending on term of locked in rate selected) from the date of rate lock-in to complete construction and convert/modify to a permanent loan. When a rate is locked in for a period of time, and if the FHA clear final inspection is not received, and conversion/modification from construction to permanent loan does not occur during this period of time, the loan must be relocked. Pricing will be the worst of original lock date or relock date. In no event will a relock result in more favorable pricing at the same rate.

DISCLOSURE

The above-referenced loan is not eligible for HUD Mortgage Insurance until after either a final inspection or issuance of a certificate of occupancy by a local governmental jurisdiction (whichever is later). Further, the Department of Housing and Urban Development has no obligation until the mortgage is endorsed for Insurance. The lender shall submit such endorsement after final Inspection or issuance of the certificate of occupancy. During construction, HUD does not insure the loan.

GENERAL CONTRACTOR'S COMPANY NAME

BORROWER'S SIGNATURE

DATE

GENERAL CONTRACTOR'S SIGNATURE

DATE

CO-BORROWER'S SIGNATURE

DATE

Builder's Certification of Plans, Specifications, & Site

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

OMB Approval No. 2502-0496
(exp. 08/31/2012)

Property Address (street, city, State, & zip code)	Subdivision Name
Mortgagee's (Lender's) Name & Address (this is the lender who closed the loan)	FHA Case Number
	Phone Number

1. **Site Analysis Information:** To be completed on all proposed and newly constructed properties regardless of LTV ratio.

- a. **Flood Hazards.** Are the property improvements in a Special Flood Hazard Area (SFHA)? ☐ Yes ☐ No
- 1) Provide the community number and date of the Flood Insurance Rate Map (FIRM) used to document your answer. Community Number _____ Map Date _____
- 2) Is the community participating in the National Flood Insurance Program and in good standing? ☐ Yes ☐ No
- 3) If "Yes" to 1a. above, attach:
- (i) a Letter of Map Amendment (LOMA) or;
- (ii) a Letter of Map Revision (LOMR) or;
- (iii) a signed Elevation Certificate documenting that the lowest floor (including basement) is built in compliance with 24 CFR 200.926d(c)(4).
- b. **Noise.** Is the property located within 1000 feet of a highway, freeway, or heavily traveled road? ☐ Yes ☐ No
- Within 3000 feet of a railroad? ☐ Yes ☐ No
- Within one mile of a civil airfield or 5 miles of a military airfield? ☐ Yes ☐ No
- c. **Runway Clear Zones / Clear Zones.** Is the property within 3000 feet of a civil or military airfield? ☐ Yes ☐ No
- If "Yes," is the property in a Runway Clear Zone / Clear Zone? ☐ Yes ☐ No
- d. **Explosive /Flammable Materials Storage Hazard.** Does the property have an unobstructed view, or is it located within 2000 feet, of any facility handling or storing explosive or fire prone materials? ☐ Yes ☐ No
- e. **Toxic Waste Hazards.** Is property within 3000 feet of a dump or landfill, or a site on an EPA Superfund (NPL) list or equivalent State list? ☐ Yes ☐ No
- f. **Foreseeable Hazards or Adverse Conditions.**
- (1) Does the site have any rock formations, high ground water levels, inadequate surface drainage, springs, sinkholes, etc.? ☐ Yes ☐ No
- (2) Does the site have unstable soils (expansive, collapsible, or erodible)? ☐ Yes ☐ No
- (3) Does the site have any excessive slopes? ☐ Yes ☐ No
- (4) Does the site have any earth fill? ☐ Yes ☐ No
- If "Yes," will foundations, slabs, or flatwork rest on the fill? ☐ Yes ☐ No

If you marked "Yes" to any of the above questions in f, please attach a copy of the State licensed engineers' (soils and structural) reports, designs, and/or certifications showing compliance with HUD requirements to ensure the structural soundness of the improvements and the health and safety of the occupants. Refer to HUD Handbook 4145.1 and FHA Data Sheet 79g.

Complete this section when seeking eligibility for Maximum Loan-to-Value Financing. Items 2 and 3 must be checked.

2. ☐ HUD Minimum Property Standards in the Code of Federal Regulations at 24 CFR 200.926d.
3. ☐ HUD Handbook 4145.1, Architectural Processing & Inspections for Home Mortgage Insurance, including Appendix 8, Site Grading & Drainage Guideline.
4. ☐ Local/State Code ☐ Applicable Provisions
5. ☐ CABO One- and Two-Family Dwelling Code, as listed in 24 CFR 200.926b.
6. ☐ CABO 1992 Model Energy Code
7. ☐ Electrical Code for One- and Two-Family Dwellings, as listed in 24 CFR 200.926b. (current edition; NFPA 70A/1984).
8. ☐ This is a manufactured (mobile) home and was constructed in accordance with the Federal Manufactured Home Construction & Safety Standards (FMHCS). The label on the manufactured home shows compliance with the FMHCS. I hereby certify that the plans and specifications for all other construction (i.e., site, foundation) comply with the applicable building code or HUD requirement listed above, including para. 3-4, Handbook 4145.1, and the Permanent Foundations Guide for Manufactured Housing.

Builder or Builder's Agent: I hereby certify that the site analysis information above is true and accurate to the best of my knowledge and belief and that the plans and specifications were designed to mitigate any foreseeable hazards or adverse conditions. On all properties eligible for maximum LTV financing, I further certify that I have personally reviewed the plans, specifications, and site information submitted herewith. Based upon my review, I hereby certify that such plans, specifications comply with the applicable building code specified above as well as complying with the HUD construction requirements listed above. An "X" marked in the blank by each numbered item indicates that provisions from the marked code apply.

9 a. Name of Builder's Company or Builder's Agent (type or print)	10 a. Name & Title of Builder or Builder's Agent (type or print)
b. Street Address	b. Signature of Builder or Builder's Agent Date (mm/dd/yyyy)
c. City, State, & Zip Code	c. Telephone Number (include area code)

11. **Affirmative Fair Housing Marketing Plan (AFHMP)** Did you sell five (5) or more houses in the last twelve (12) months or do you intend to sell five (5) or more houses within the next twelve (12) months with HUD mortgage insurance?

☐ Yes ☐ No

If "Yes," check either a, b, c, or d below.

- a. ☐ I am a signatory in good standing to a Voluntary Affirmative Marketing Agreement (VAMA).
- b. ☐ I have an AFHMP which HUD approved on (mm/dd/yyyy) _____.
- c. ☐ I have a contract with _____ to market this house.
- d. ☐ I certify that I will comply with the following: (a) Carry out an affirmative program to attract all minority and majority groups to the housing for initial sale or rental. Such a program shall typically involve publicizing to minority persons the availability of housing opportunities regardless of race, color, religion, sex, handicap, familial status or national origin, through the type of media customarily utilized by the applicants; (b) Maintain a nondiscrimination hiring policy in recruiting from both minority and majority groups; (c) Instruct all employees and agents in writing and orally in the policy of nondiscrimination and fair housing; (d) Conspicuously display the Fair Housing Poster in all Sales Offices, include the Equal Housing Opportunity logo, slogan and statement in all printed material used in connection with sales, and post in a prominent position at the project site a sign which displays the Equal Opportunity logo, slogan or statement, as listed in 24 CFR 200.620 and appendix to subpart M to part 200. I understand that I am obliged to develop and maintain records on these activities, and to make them available to HUD upon request.

Builder: I hereby certify that the site analysis information is true and accurate to the best of my knowledge and belief. On all properties eligible for maximum LTV financing, I further certify that the plans and specifications submitted herewith have been reviewed by the individual signing above and that the individual has the knowledge and experience necessary to determine whether such plans and specifications comply with the HUD/FHA requirements set forth at 24 CFR 200.926d and with other applicable HUD requirements as determined in accordance with 24 CFR 200.926(d)(1) and (2). Any subsequent changes to these plans and specifications shall comply with the aforementioned requirements. Upon sale or conveyance of the property, the undersigned will promptly furnish to lender a Warranty of Completion of Construction, form HUD-92544 on all properties eligible for maximum LTV financing.

12 a. Name of Builder's Company (type or print)	13 a. Name & Title of Builder (type or print)	
b. Street Address	b. Signature of Builder	Date (mm/dd/yyyy)
c. City, State, & Zip Code	c. Telephone Number (include area code)	

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1001.1; 31 U.S.C. 3729, 3802).

This form must be complete and legible and must be reproduced to include both sides of the document.

Public reporting burden for this collection of information is estimated to average 15 minutes 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. 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.

Executive Order 11988 and HUD environmental regulations (24 CFR Part 51) require builders who build newly constructed properties to ensure that the property is not affected by: flood hazards, noise, runway clear zones, explosive/flammable materials storage hazards, toxic waste hazards, and other foreseeable hazards that may affect the site. HUD requires this information to determine whether the site/location factors would adversely affect the dwelling or homeowner. A response is required whenever a builder builds new properties. Confidentiality is not applicable.

Instructions for Builder's Certification, form HUD-92541

To obtain maximum loan to value financing (high ratio loan) for a new property, a builder must:

- Become a certified builder in accordance with HUD requirements and certify that the plans and specifications for the home meet HUD requirements prior to the beginning of construction; or
- Have the plans and specifications for the home approved by HUD prior to the start of construction; or
- Provide a HUD accepted ten year protection (warranty) plan.

If the property is eligible for maximum loan to value financing on the basis of a, b, or c above, then the builder must complete Items 1 - 12 on this form. The builder or its agent may complete Items 9 and 10.

If the builder does not meet the criteria listed above for maximum loan to value financing, then the loan to value financing will be limited to 90 percent (low ratio loan). For these cases, the builder must complete Items 1, 9 and 10 on this form. The builder, not the builder's agent, must complete Items 9 and 10.

Item 1. Site Analysis: All builders must answer all the questions in this item even when the improved area procedure is required. An addendum may be added, if necessary, to provide a full explanation about any of the site conditions listed.

- Flood Hazards:** HUD prohibits new construction in Special Flood Hazard Areas unless there is a Letter of Map Amendment (LOMA), a Letter of Map Revision (LOMR), or an Elevation Certificate in accordance with 24 CFR 200.926d(c)(4) provided to the lender.
- Noise:** Self-explanatory.
- Runway Clear Zones/Clear Zones:** If the property is located in a Runway Clear Zone / Clear Zone, the lender must require, as a condition of borrower approval, that the borrower will sign a statement acknowledging receipt of the notification required by 24 CFR 51.303(a)(3).
- Explosive/Flammable Materials Storage Hazard:** Self-explanatory.
- Toxic Waste Hazards:** Self-explanatory.
- Foreseeable Hazards or Adverse Conditions:** Self-explanatory.

Items 2 - 8: If the lender desires the property to be eligible for maximum financing (a high-ratio loan), the certified builder/certified builder's agent **must** complete these items as follows:

- 2. & 3.** Place an "X" in the box in Items 2 and 3. The certified builder must complete Items 4 thru 8 as follows:
- 4.** The local/State code in Item 4 is the HUD accepted code for a locality as identified by a mortgagee from a list provided by HUD.
 - A "fully accepted code" is indicated by placing a "X" in the first space, identifying the code in the second space and placing the word "All" after "Applicable Provisions."
 - A "partially acceptable code" is indicated by naming the unacceptable portion as shown in the example: "All except materials standards."

The additional requirements needed from the Table in 24 CFR 200.926c, to supplement a partially acceptable local code, must be shown in Item 4.

If a local code has been changed since last accepted by HUD, a builder is required to submit for HUD review, a copy of such changes to the Code. Include all applicable service codes, appendices, and a copy of the statute, ordinance, regulation or ordinance making such changes.

5. When the whole CABO Code is used as the HUD referenced code in jurisdictions with "no code" or an "unacceptable code," place an "X" in the box in Item 5 and place the word "All" in the space.

6. Place an "X" in the box on line 6, because builders must comply with this energy code.

7. Place an "X" in the box on line 7, because the Electrical Code for One and Two Family Dwellings, NFPA 70A/1984 is required in conjunction with the CABO Code.

8. If the dwelling is a manufactured (mobile) home, place an "X" in the box in Item 8. Properly complete lines 4 through 7 for all "foundation and site work."

Items 9 & 10. The builder or the builder's agent must complete and sign these items. If the builder's agent completes and signs these items the builder's agent is certifying that builder's agent has the knowledge and experience to determine whether the plans and specifications comply with HUD/FHA requirements set forth in 24 CFR 200.926d and with other applicable HUD requirements in 24 CFR 200.926(d)(1) and (2). The builder's agent is further certifying that the information about the site is accurate to builder's agent's best knowledge and belief.

Item 11. If a builder has sold or intends to sell five (5) or more newly constructed properties within a twelve (12) month period, the builder is required to have one of the following:

- Be in good standing to a Voluntary Affirmative Marketing Agreement (VAMA); or
- Have a HUD approved Affirmative Fair Housing Marketing Plan (AFHMP); or
- Have a contract with a Marketing Agent to implement its approved AFHMP; or a contract with a Marketing Agent with signatory to a National Association of Realtors VAMA; or
- Certify to the requirements which are hereby listed, taken from 24 CFR 200.620.

Items 12 & 13. The builder must complete and sign Items 12 and 13. The certification is self-explanatory. All changes to the original form must be initialed and dated by the builder.

Appraiser / Direct Endorsement Lender's Responsibility

Fee Appraiser / Direct Endorsement Staff Appraiser. The fee appraiser / DE staff appraiser must receive a fully executed form HUD-92541 before performing the appraisal on proposed or under construction properties or properties less than one year old.

The appraiser must review Item 1 and note in the Appraisal Report any discrepancies between the information in Item 1 and the actual conditions observed on site. The appraiser must take into consideration the effects of any site conditions on the value of the property.

Direct Endorsement Underwriter. The DE Underwriter must review the Appraisal Report and the Builder Certification as part of the underwriting process, taking into consideration the effect of any site conditions on the value of the property. Page 1 of this form must be complete and legible. Only the builder or the builder's agent is authorized to complete or change this form. The DE Underwriter cannot change and/or modify this certification form.

MCRV/CRV Submissions

Form HUD-92541 is required on all newly constructed properties and must be in the HUD Case Binder on all conversions from VA.