

1996

- I. PRESERVATION AND PROTECTION
GUIDELINES AND COST SCHEDULES**

- II. POST ENDORSEMENT FEES AND
CHARGES**

- III. DIRECTORY OF LOCAL HUD OFFICES**

TABLE OF CONTENTS

SECTION I.	GENERAL REQUIREMENTS FOR PRESERVATION AND PROTECTION SERVICES	Page
A.	Claiming Reimbursement	1
B.	Responsibility for Damage	2
1.	Damage by Fire, Flood, Earthquake, Tornado, Hurricane, or Boiler Explosion	3
2.	Damage Due to Mortgagee Neglect	3
C.	Existing Warranties	3
D.	Demolition Notices	4
E.	Code Violation Notices	4
F.	Inspections	4
G.	Securing	4
H.	Boarding of Properties	4
I.	Debris Removal	4
J.	Hazardous Waste Removal	5
K.	Ground and Yard Maintenance	5
L.	Eviction Costs	5
M.	Winterization	6
N.	Utilities	6
O.	Securing/Winterizing Swimming Pools	6
P.	Photographs	7
Q.	Signs For Emergency Contact	7
R.	Extensions of Time	7

TABLE OF CONTENTS

SECTION I. GENERAL REQUIREMENTS FOR PROTECTION AND PRESERVATION SERVICES (continued)

ATTACHMENTS

Attachment 1	Preservation and Protection Overall Maximum Cost Schedule
Attachment 2	Inspection Service Requirements and Cost Schedule
Attachment 3	Lock Change/Securing Service Requirements and Cost Schedule
Attachment 4	Boarding Service Requirements and Cost Schedule
Attachment 5	Debris Removal Service Requirements and Cost Schedule
Attachment 6	Yard Maintenance Service Requirements and Cost Schedule
Attachment 7	Winterization Service Requirements and Cost Schedule
Attachment 8	Photograph Requirements and Cost Schedule
Attachment 9	"Request to Exceed Cost Limit(s) For Preservation and Protection"

SECTION II. POST ENDORSEMENT FEES AND CHARGES

SECTION III. DIRECTORY OF LOCAL HUD OFFICES

1996 PRESERVATION AND PROTECTION GUIDELINES

SECTION I. GENERAL REQUIREMENTS FOR PRESERVATION AND PROTECTION SERVICES

A. CLAIMING REIMBURSEMENT

Mortgagees are expected to exercise the same level of diligence and prudence in protecting and preserving vacant FHA insured properties that would be provided if they could look only to the security for recovery. Reasonable action must be taken to protect and preserve properties against potential damage or to stop progressive deterioration until conveyance to HUD, if such action does not constitute illegal trespass.

If a property, where the mortgage is insured on or after January 1, 1977, is damaged because of the mortgagee's failure to take reasonable action to preserve and protect or initiate foreclosure, the mortgagee will be held accountable. For the purpose of claiming reimbursement, actions identified herein and performed in accord with the work requirements, will be considered to have been approved by HUD provided they meet all applicable cost limits. The mortgagee may take additional preservation and protection measures but will be reimbursed only if the mortgagee obtains prior written approval from the local HUD office.

Mortgagees may expend up to the maximum amount listed in **Attachment 1** for the preservation and protection of an insured property without prior HUD approval. **The costs of boarding, inspections, photographs, securing swimming pools, and utility bills are not included in the maximum limit per property.** All expenditures must be supported by receipts and only amounts which fall within allowable cost limits may be claimed for reimbursement. If it is determined that amounts paid for reimbursement are inappropriate, unnecessary, unsupported, excessive, or that bids obtained were not independent and competitive, or that services claimed have not been completely or properly performed, HUD will require repayment of all such claim amounts. No claim for reimbursement shall be made for preservation and protection services performed after conveyance to the Commissioner unless prior written approval is obtained from the local HUD office. (Payment of certain utility bills is the exception. See **Item N and Attachment 7.**)

For the most part, the more diligent the mortgagee is in completing the foreclosure process and conveying the property in a timely manner, the smaller the amount of expenditures for preservation and protection will be. A mortgagee may utilize any individual or firm to perform protection and preservation services on FHA-insured properties, however, the mortgagee shall remain fully responsible to the Secretary of HUD for the actions of its agents and the actions of its agent shall be considered the actions of the mortgagee.

Expenses which fall within the individual cost limits described in this schedule are considered to be reasonable and are approved by HUD as long as the aggregate does not exceed the maximum limit per property prescribed in **Attachment 1**. Any expenses which exceed the cost limits or exceed the overall maximum cost limit per property as described in this document are not considered approved by HUD unless prior written approval has been obtained from the local HUD office.

All requests to exceed cost limits must be submitted to the local HUD office in the sample format provided in **Attachment 9**, entitled "Request to Exceed Cost Limit(s) for Preservation and Protection". All requests to exceed an individual item's cost limit or the maximum total limit per property must contain justification to support the request. Mortgagees must promptly submit written requests to the local HUD office having jurisdiction where the property is located. All local HUD offices have been instructed to promptly respond to each request. If a written response has not been received within 10 days, mortgagees must follow up with the local HUD office and continue to follow up with the local HUD office until a written response is received.

In emergency situations, mortgagees may fax their requests to the local HUD office and confirm receipt of these requests verbally. The local HUD offices will respond to your emergency requests via facsimile if requested. Mortgagees shall be responsible to confirm receipt and legibility of all requests sent via facsimile.

If a mortgagee elects, as a matter of convenience, to obtain services at a cost higher than the allowable limits, it may do so, providing amounts in excess of the limits are not claimed for reimbursement.

The local HUD office may be asked to rule on any fee or charge not specifically mentioned in this document. The determination to allow a fee or charge will be based on what is reasonable and customary.

B. RESPONSIBILITY FOR DAMAGE

A vacant property must be preserved and protected while it is in the possession of the mortgagee so that it will not be damaged at the time of conveyance. A prudent mortgagee will preserve and protect a vacant property to avoid potential damage to the property and avoid potential surcharges to the claim. HUD will reimburse the mortgagee for required preservation & protection costs, within the established cost limits, when these expenditures are adequately documented and properly completed.

1. **DAMAGE BY FIRE, FLOOD, EARTHQUAKE, TORNADO, HURRICANE, OR BOILER EXPLOSION (CONDOMINIUM UNITS ONLY)** - All properties conveyed to HUD must be undamaged by fire, flood, earthquake, tornado, hurricane, or boiler explosion (condominium units only). The mortgagee must repair the damage or obtain prior written permission from HUD to convey the property in damaged condition. Where the decision of the local HUD office is to require the mortgagee to repair the property before conveyance, HUD will not reimburse the mortgagee for the cost of these repairs.

2. **DAMAGE DUE TO MORTGAGEE NEGLIGENCE** - For properties insured on or after January 1, 1977, mortgagees will be held responsible if their failure to take adequate action to preserve and protect resulted in damage. A mortgagee's failure to inspect, preserve, protect, or initiate foreclosure within the required timeframe will be considered mortgagee neglect.

Properties which become damaged because of mortgagee neglect also require the mortgagee to repair the damage or obtain prior permission from HUD to convey the property in damaged condition. Where the decision of the local HUD office is to require the mortgagee to repair the property before conveyance, HUD will not reimburse the mortgagee for the cost of these repairs.

If permission is given to convey a property in a damaged condition due to either fire, flood, earthquake, tornado, hurricane, boiler explosion (condominium units only) or mortgagee neglect, the greater of any insurance recovery or HUD's estimate of the cost to repair the property shall be deducted from the mortgage insurance benefits. Where the claim is to be adjusted for damages, Item 24, Form HUD-27011 should be marked "yes" and items 26 and 27 must be completed.

In the event the mortgagee denies responsibility for the damage, Item 24 of Part A, Form HUD-27011, should be marked "no." The damage must be identified and the reason for denial of responsibility must be explained in the Mortgagee Comments section on the reverse side of Part A. When the mortgagee denies responsibility for the damage, the mortgagee also must provide the local HUD office with all documentation, including copies of all inspections, which they feel will verify that appropriate action was taken to preserve and protect the property from the time of default to conveyance. This documentation shall accompany the copy of Part A, Form HUD-27011, which must be sent to the local HUD office.

All documentation must include the FHA case number, be legible, and be securely fastened to the claim form. Without adequate documentation to support the mortgagee's position, the local HUD office will deem such damage (for properties insured on or after January 1, 1977) as being due to the mortgagee's failure to take appropriate action to preserve and protect the property.

C. **EXISTING WARRANTIES**

The Department is not authorized to reimburse mortgagees for repairs to properties other than P & P related expenses. While undertaking repairs to a property, mortgagees should always be aware of existing warranties on properties that have been built within the previous ten years.

D. DEMOLITION NOTICES

Mortgagees must forward copies of demolition notices to the local HUD office immediately upon discovery. Within ten days of notice, the local HUD office will advise the lender to either allow the demolition of the property to proceed, or have the demolition postponed until after conveyance to allow the Department the option of salvaging properties that may be economically feasible to repair. Since demolition is seen as an extreme measure, local HUD offices should expect few such requests from lenders.

E. CODE VIOLATION NOTICES

Mortgagees must address all local code violation notices, as well as safety and health issues upon discovery. For guidance and authority on appropriate action to pursue, contact the local HUD office having jurisdiction over the property (see **Section III**).

F. INSPECTIONS

When a mortgage is in default and a payment is not received within 45 days of the due date, and efforts to reach the mortgagor by telephone or other means within that period have proven unsuccessful, the mortgagee shall make a visual inspection of the property to determine occupancy status in accordance with the requirements as stated in **Attachment 2**.

G. SECURING

Properties must be secured to prevent unauthorized entry and to protect against weather damage in accordance with the requirements as stated in **Attachment 3**.

H. BOARDING OF PROPERTIES

The cost of boarding properties is not to be included in the maximum allowable limit per property. Mortgagees shall not board a property unless: they have prior written approval from the local HUD office; the local HUD office variation included in **Attachment 4** requires boarding; the property is severely fire damaged and must be secured for safety reasons; or the property is located in one of the pre-approved boarding areas. **Attachment 4** details boarding service requirements, cost limits, and pre-approved boarding areas.

I. DEBRIS REMOVAL

Mortgagees are not to remove interior and exterior debris except for 1) debris that constitutes a health or safety hazard, 2) debris that causes the issuance of a code violation which would result in a fine and/or lien if not corrected prior to conveyance to HUD, 3) debris required to be removed as part of an eviction by local law enforcement or crews under the control and direction of local law enforcement where the mortgagee has no control over the timing of removal, and 4) local HUD office variations required in **Attachment 5**.

Refer to **Attachment 5** to ascertain which local HUD offices require debris removal. HUD will not reimburse amounts in excess of the amount listed in **Attachment 5** for cleaning and debris removal without prior written approval from the local HUD office. A mortgagee may expend up to this amount without local HUD office approval if the services are within the cost limits established in **Attachment 5**. Costs such as labor hours, dump fees, and transportation costs (i.e. fuel, mileage, truck rental, etc.) should not be claimed in addition to debris removal cost limits, as these costs are incorporated in the per unit allowable cost for debris removal.

See Item L, Eviction Costs, for guidance concerning items removed from the property in connection with an eviction.

J. HAZARDOUS WASTE REMOVAL

Most residential properties will have very limited hazardous waste. See **Attachment 5** for specific requirements regarding the removal of hazardous waste.

K. GROUND AND YARD MAINTENANCE

Ground and yard maintenance must be performed in accordance with the requirements as stated in **Attachment 6**.

L. EVICITION COSTS

Generally only the costs of removing personal property while the eviction is being conducted under the control and direction of local law enforcement officials are considered eviction costs and are not subject to the allowable cost limit for the jurisdiction. However, the cost of removing items, including trash and debris, from the property is considered an eviction cost if these are removed by local law enforcement or crews under the control and direction of local law enforcement where the mortgagee has no control over the timing of removal. Costs must be claimed within the cost limits of **Attachment 5** (i.e. amount per cubic yard), however, the allowable cost limit may be exceeded if necessary without prior HUD approval. Where this occurs, documentation of any higher costs must be submitted with the claim. Costs such as labor hours, dump fees, and transportation costs (i.e. fuel, mileage, truck rentals, etc.) should not be claimed in addition to the removal cost limits as these costs are incorporated in the per unit allowable cost.

Mortgagees are to use sound judgment in distinguishing personal property from debris. Generally, items that might be considered personal property are chairs, tables, clothing, books, etc. Examples of debris are trash, rubbish, refuse, shabby and torn carpet, cracked and torn linoleum, waste paper, sweepings, litter, etc. However, mortgagees must follow any local code and laws regarding the definition of personal property versus debris. If mortgagees have questions regarding personal property and debris, please contact the local HUD office for clarification.

Only reasonable costs for eviction crews necessary to accomplish the eviction will be reimbursed. For example, waiting for sheriff, supervisor, etc. will be disallowed. If sheriff, statute, or local law requires that a specific service be performed, such requirement must be documented.

In most circumstances no more than three or four men should be necessary to complete an eviction for a townhouse or condo and no more than six men should be required for a single family detached dwelling. If the local law provides that a specific number of men be provided, or if the law enforcement official conducting the eviction identifies and need for additional men to be present at the time of the eviction, there must be documentation to support the need for these additional men in the claim review file.

Mortgagees are to confirm with the Sheriff or the appropriate local law enforcement official to confirm that the eviction is going to occur as scheduled. This should be done just prior to the eviction (day before or morning of the scheduled eviction). This should reduce costs incurred for crews to show up for cancelled or rescheduled evictions. If this happens, the mortgagee is only eligible to claim a maximum of one hour of labor per man.

Photographs are required to support all personal property/debris removed from the property as part of an eviction. A maximum of ten photographs will be reimbursed as part of the eviction costs. Mortgagees should use discretion in determining if additional photos are needed to adequately support all services/items to be claimed. The maximum allowable amount per photo is listed in **Attachment 8**. Eviction costs should be entered in item 305 of Part D of the claim form.

M. WINTERIZATION

In jurisdictions where winterization is required, all properties must be winterized between October 1 and March 31. Properties should not be winterized between April 1 and September 30. Exceptions to these winterization time periods and detailed service requirements are specified in **Attachment 7**.

N. UTILITIES

In jurisdictions where utilities are to remain on, the mortgagee may pay the bill and claim reimbursement for utility costs that cover the date of the conveyance until the end of that utility's billing cycle. See **Attachment 7** for specific requirements regarding utilities.

O. SECURING/WINTERIZING SWIMMING POOLS

Fees for securing or winterizing swimming pools are not included in the maximum allowable limit per property. Prior written approval from the local HUD office is required for securing or winterizing pools unless otherwise noted in these guidelines. See **Attachment 3** for specific requirements regarding swimming pools.

P. PHOTOGRAPHS

The cost of photographs will be allowed only to support expenses beyond allowable cost limits and to support personal property/debris removed as part of an eviction (unless otherwise specified in **the variations from the general requirements in Attachment 8**).

Q. SIGNS FOR EMERGENCY CONTACT

Mortgagees must post small signs no larger than 8.5" x 11" to an interior window or front door. The sign shall not state that the property is pending foreclosure or give the phone numbers or name of the local HUD office as a contact. The sign should contain the lender's toll free telephone number, if the mortgagee has one, and the telephone number of the mortgagee's local representative company to contact in the event of emergency. There is no allowable cost to post signs or stickers unless noted in the local office variations. See **Attachments 3** and **7** for variations.

R. EXTENSIONS OF TIME

Requests to exceed cost limits are not the same as requests to exceed time frames. A mortgagee's failure to receive a response from a local HUD office to exceed cost limits does not constitute an extension of time to convey title and submit Part A or an extension of time to provide title evidence and submit Part B. A separate request for each extension of time must be submitted by the mortgagee. All requests for extensions must be submitted on Form HUD-50012, Mortgagee's Request for Extensions of Time. Oral requests for extensions will not be accepted.

If you should have any questions, please contact the local HUD Office. See **Section III** for local office listing.

Attachments

PRESERVATION AND PROTECTION OVERALL MAXIMUM COST SCHEDULE

<i>Location</i>	<i>Local HUD Office(s)</i>	<i>Maximum</i>			
		<i>1 Unit</i>	<i>2 Units</i>	<i>3 Units</i>	<i>4 Units</i>
<i>New England</i>	Connecticut State	\$1,100	\$1,200	\$1,300	\$1,400
	Massachusetts State	\$1,000	\$1,250	\$1,500	\$1,750
	New Hampshire State (Includes States of Maine, New Hampshire, Vermont)	\$1,000	\$1,100	\$1,200	\$1,300
	Rhode Island State	\$1,000	\$1,200	\$1,300	\$1,400
<i>New York/New Jersey</i>	Albany, Buffalo, Camden, New Jersey State, New York State	\$750	\$900	\$1,050	\$1,200
<i>Mid-Atlantic</i>	District of Columbia, Pennsylvania State, Pittsburgh, Virginia State	\$750	\$1,250	\$1,500	\$1,750
	Maryland State	\$900	\$1,400	\$1,600	\$1,900
	West Virginia State	\$500	\$700	\$1,000	\$1,150
<i>Southeast/Caribbean</i>	Alabama State	\$200	\$350	\$500	\$650
	Caribbean, Coral Gables, Georgia State, Jacksonville, Kentucky State, Knoxville, Memphis, Mississippi State, North Carolina State, Orlando, South Carolina State, Tampa, Tennessee State	\$500	\$750	\$1,000	\$1,250
<i>Midwest</i>	Indiana State	\$500	\$750	\$1,000	\$1,250
	Cincinnati, Cleveland, Flint, Grand Rapids, Illinois State, Michigan State, Minnesota State, Ohio State, Wisconsin State	\$750	\$1,000	\$1,250	\$1,500
<i>Southwest</i>	Arkansas State, Houston, Louisiana State, Lubbock, New Mexico State, Oklahoma State, San Antonio, Shreveport, Texas State	\$500	\$650	\$800	\$950
	Tulsa	\$750	\$950	\$1,150	\$1,350
<i>Great Plains</i>	Iowa State, St. Louis	\$650	\$900	\$1,050	\$1,150
	Kansas/Missouri State	\$300	\$350	\$400	\$450
	Nebraska State	\$850	\$900	\$1,050	\$1,150
<i>Rocky Mountains</i>	Colorado State (Includes States of Colorado, South Dakota, Wyoming)	\$500	\$550	\$600	\$650
	Montana State, North Dakota State, Utah State	\$500	\$550	\$600	\$650
<i>Pacific/Hawaii</i>	Arizona State, Fresno, Hawaii State, Nevada State, Reno, Sacramento, San Diego, Santa Ana, Tucson	\$500	\$550	\$600	\$650
	California State	\$250	\$300	\$350	\$400
	Los Angeles	\$800	\$850	\$900	\$1,000
<i>Northwest/Alaska</i>	Alaska State	\$750	\$1,000	\$1,250	\$1,500
	Idaho State, Oregon State, Washington State	\$500	\$750	\$1,000	\$1,250

PROPERTY INSPECTION SERVICE REQUIREMENTS AND COST SCHEDULE

When a mortgage is in default and a payment is not received within 45 days of the due date, and efforts to reach the mortgagor by telephone or other means within that period have proven unsuccessful, the mortgagee shall make a visual inspection of the property to determine occupancy status.

If the property is occupied, and the mortgagor continues to be in default, the mortgagee should continue to try to make contact with the mortgagor or occupant each month by telephone or through correspondence. If the mortgagee is unable to contact the mortgagor or occupant by any other means, the property should be reinspected within 30 days of the last inspection or last documented contact with the mortgagor or occupant. However, some local HUD offices require more frequent inspections as prescribed below.

If it can be established by other means that the property is occupied, an inspection is not necessary and will not be reimbursed. If an inspection is performed on an occupied property, the cost will only be reimbursed if the mortgagee can provide adequate documentation to show that the mortgagor or occupant could not be reached by any other means. This documentation must be maintained in the mortgagee's claim review file. The mortgagee must inspect a vacant or abandoned property every 30 days or as prescribed below when a loan is in default to determine whether protection and preservation action is necessary.

Generally, reimbursement will be limited to one inspection for each 30-day cycle. This inspection should not be earlier than 25 days or later than 35 days after the last inspection. Mortgagees will only be reimbursed for additional inspections as provided below or when a local HUD office has identified a need to inspect more frequently, and has made this a requirement. The cost of inspections is not included in the overall P&P maximum.

During bankruptcy actions and assignment processing, mortgagees should be able to verify the status of the property without performing an on-site inspection. Reimbursement normally will not be made for occupancy inspections if the mortgagor has filed bankruptcy until the bankruptcy has been released, discharged, or the property is formally abandoned by the bankruptcy trustee. For cases being processed for assignment, mortgagees may communicate with the local HUD office and/or counseling agency to determine the mortgagor's status. Therefore, there should be few cases where an occupancy inspection is warranted and reimbursable during assignment processing.

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

New England Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Connecticut State New Hampshire State (Includes States of Maine, New Hampshire, Vermont) Rhode Island State	None	All Inspections	\$22
Massachusetts State	None	All Inspections	\$25

New York / New Jersey Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Albany Buffalo	Occupied properties secured by delinquent FHA insured mortgages after January 1, 1977 will be inspected by the mortgagee on a bi-weekly basis to determine occupancy during the period October 1 through March 31 until such time that the loan is reinstated or the property is vacated and winterized. Thereafter, properties are to be inspected at least monthly.	All Inspections	\$15
Camden New Jersey State	None	All Inspections	\$15
New York State	None	Inspection Occupied Inspection	\$25 \$20

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

Mid-Atlantic Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
District of Columbia Maryland State Pennsylvania State Pittsburgh Virginia State West Virginia State	For vacant properties, an inspection sign-in sheet shall be affixed to the inside of the front door or a wall in the entry area of the property. The sheet should contain rows and columns for data entry. As a minimum, the sheet should reveal the date of inspection, purpose of inspection, mortgagee's name, inspector's name, and condition of property.	Inspection Additional units (for multiple unit properties)	\$20 \$10/unit

Southeast / Caribbean Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Alabama State Caribbean Coral Gables Georgia State Jacksonville Kentucky State Knoxville Memphis Mississippi State North Carolina State Orlando South Carolina State Tampa Tennessee State	None	Initial Inspection Subsequent Inspections	\$20 \$15

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

Midwest Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Cincinnati Cleveland Flint Grand Rapids Illinois State Michigan State Ohio State	None	All Inspections	\$15
Indiana State Minnesota State	Property to be inspected weekly from October 1 through April 31 and bi-weekly for the remainder of the year.	All Inspections	\$15
Wisconsin State	Property to be inspected weekly from November 1 through March 31 and bi-weekly for the remainder of the year.	All Inspections	\$15

Southwest Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Arkansas State Houston Louisiana State Lubbock New Mexico State Oklahoma State San Antonio Shreveport Texas State Tulsa	None	All Inspections	\$24

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

Great Plains Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Iowa State	None	Initial Inspection	\$20
		Subsequent Inspections	\$15
Kansas/Missouri State Nebraska State St. Louis	None	Initial Inspection	\$25
		Subsequent Inspections	\$20

Rocky Mountain Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Colorado State (Includes States of Colorado, South Dakota, Wyoming)	None	Initial Inspection	\$25
Montana State North Dakota State Utah State		Subsequent Inspections	\$20

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

Pacific / Hawaii Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Arizona State California State Fresno Los Angeles Sacramento San Diego Santa Ana Tucson	None	All Inspections	\$15
Hawaii State	Vacant or abandoned properties located in high vandal areas (Waianae, Nanakuli, Maili, & Makaha) are to be inspected every 15 days.	All Inspections	\$25
Nevada State	None	All Inspections	\$20
Reno	During the period September 15 through April 15, if the mortgagors cannot be contacted, properties should be inspected every 15 days until the property is confirmed to be vacant, at which time securing and winterizing should be accomplished immediately. Once winterized, the property should be inspected every 30 days.	All Inspections	\$20

**PROPERTY INSPECTION SERVICE REQUIREMENTS
AND COST SCHEDULE**

Northwest / Alaska Offices

<i>Local HUD Office(s)</i>	<i>Variation(s) From General Requirements</i>	<i>Service</i>	<i>Cost</i>
Alaska State	When the mortgage is in default, and there is any reason to believe that the mortgagor may abandon the property, the mortgagee / servicer should contact the utility companies to ensure that the heat will remain on should the mortgagor vacate.	Initial Inspection	\$25
		Subsequent Inspections	\$25
Idaho State Oregon State Washington State	None	Initial Inspection	\$25
		Subsequent Inspections	\$25