

**SECTION 242 HOSPITAL MORTGAGE INSURANCE
APPLICATION PROCESS CHECKLIST**

HOSPITAL/CONTACT/PHONE: Community Hospital

MORTGAGE BANK/CONTACT/PHONE: First Choice Lending

HUD OR HHS ACCOUNT EXECUTIVE/PHONE: J.B. Nathan

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
AE and Applicant	Applicant sends application to all parties	If not done already, banker and AE enter target dates into this checklist. Banker gets input from <ul style="list-style-type: none"> • Hospital AE gets input from <ul style="list-style-type: none"> • DES • MF Hub (on enviro) • OIHCF (on feasibility consultant) 		-0-	
MF Hub	Receipt of application	Assign case #, deposit fee, and schedule environmental review. Informs AE and Applicant of above.	\$145,000,000 × 0.15% = \$217,500	1 day	
AE	Receipt of application	Contact MF Hub: get copy of check and verify correct amount. Get project number and notify the project team (including the lender) of the project number Request a completion date for the environmental review		2 days	

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
AE	Receipt of application	Conduct completeness review of application	Applicant's Guide Checklist	2 weeks	
OIHCF	Receipt of application	If not done already, initiate task order for consultant review and tell applicant where to send copies of application.		2 weeks	
Applicant		Send 2 copies of application Vols. 1 and 2 to HUD consultant		1 month	
Applicant		Electronically request previous participation (2530) clearance	Information on all participants requiring clearance, plus user access to the 2530 system	7 days	
AE	Completion of completeness review	Send (in)completeness letter to banker with copies to hospital and HUD HQ. If complete, also copy MF Hub (Housing and OGC) and enter date in MIMI.	Completeness letter template	2 weeks	
Applicant	Incompleteness letter from HUD	Get missing information to HUD			
AE	Complete application	AE and Client Service Team (CST) begin underwriting review in accordance with underwriting guidelines and begin writing their report.	Client Service Team Report Template Library of previous final reports Underwriting guidelines	-0- (starts again)	
AE		Send questions to Applicant based on initial underwriting review.		1 month	

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
AE	Identification of any “deal breaker” issues in application	AE and CST surface the issue(s) to supervisor, PMG (if appropriate) and applicant ASAP, before completing review.			
OIHCF		Task order issued to consultant			
Applicant	Receipt of questions	Respond promptly to AE’s questions.			
AE, Applicant, Hospital	Site visit scheduled	AE conducts site visit (includes underwriting and DES reviewers).		6 weeks	
AE & Applicant	HUD consultant site visit scheduled	HUD consultant conducts site visit.		7 weeks	
Multi-Family Hub	Environmental onsite review scheduled	Conduct environmental review, identify any issues that require a Phase 2 or HUD HQ approval, send report to OIHCF and AE.		7 weeks	
AE	HUD consultant's report received	After reviewing report, AE and OIHCF conduct conference call with consultant to compare findings and answer any questions. Include discussion of any special covenants and conditions that may be needed.		10 weeks	
AE & Applicant		Obtain hospital’s written acceptance of standard covenants and any special covenants and conditions		10 weeks	

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
OIHCF, AE, OGC, Applicant, Hospital	Legal issues discovered during review	Resolve any legal issues before finalizing underwriting report		3 months	
Applicant		Get Guaranteed Maximum Price from hospital, convey to AE.		3-4 months	
DES		Complete architectural/ engineering review, send report to OIHCF and AE.		3-4 months	
AE & Applicant	Issues raised by AE, environmental, legal, DES, or consultant review	Modify this schedule to reflect time needed to resolve issues.			
AE		Get underwriting report in "almost final" form including supervisory review.		4 months	
Applicant	Varies	Request approval of pre-commitment construction work, if applicable			
AE, DES, & OIHCF	Request to begin pre-commitment work	AE and DES review and recommend to PMG. PMG or Director responds			

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
AE	Final approval check off	Send hard copies of approvals to HUD HQ.	CST Report Covenants and conditions approved by hospital Environmental approval DES final approval HUD Form 92013-HOSP (Revised) OGC approval 2530 clearances	4 ½ months	
AE & PMG	PMG presentation set	AE presents to PMG and receives any guidance on further work required or changes to the report.		5 months	
AE	Report finalized in accordance with PMG directions	(Required only if report needed changes after first PMG review.) Place on PMG agenda, distribute report in advance.		5 months 1 week	
PMG	Final report received by PMG	PMG reviews final report and makes recommendation to Director, OIHCF.		5 ½ months	
OIHCF	PMG recommendation	Director decides whether to recommend approval to FHA Commissioner. Possible outcomes include: (1) Recommend approval (2) Recommend approval with Conditions (3) Request additional analysis (4) Recommend disapproval		5 ½ months	
Hospital	PMG recommendation	If not done already, get Guaranteed Maximum Price and forward to DES and AE.			

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
OIHCF	Positive Director recommendation	<p>If recommendation is for approval, OIHCF finalizes package including CST report, memorandum to Commissioner recommending approval, and memo for Commissioner to sign directing issuance of commitment letter. A briefing may be held. AE may be asked to provide answers to questions or additional info.</p> <p>OIHCF prepares commitment package.</p>		<p>5 months 3 weeks</p>	
OIHCF	Commissioner decision for disapproval	Director sends letter to applicant explaining decision.			
DES	Issuance of commitment	DES approval for HUD endorsement.			
OIHCF	Commissioner decision for approval	<p>Director notifies applicant.</p> <p>Director notifies Public Affairs and provides publicity materials.</p>		<p>6 months</p>	
OIHCF	Commissioner decision for approval	OIHCF finalizes and issues Commitment Letter to applicant.		<p>6 months 2 days</p>	
OGC & Applicant	Commitment letter	Applicant and Field Office schedule initial closing.			
Applicant	Commitment letter	If desired, request early construction start.			
OIHCF	Request for early start	Review and act on request.			

ACTION OFFICE	TRIGGER	ACTION	INFORMATION NEEDED TO COMPLETE THIS STEP	TARGET DATE	ACTUAL DATE
Applicant	If bonds are sold	Request for revised commitment at lower interest rate.			
OIHCF	Issuance of commitment	DES approval for HUD endorsement.			
Applicant	2 weeks before closing	Submission of closing documents to HUD. Submission of first draw to HUD, DES, Field Office, and HHS.			
End Application Process					