

**DRAFT APPLICANT'S CHECKLIST FOR SUBMISSION TO THE HUB/PC**  
**(FOR PPCs, RESTRUCTURING OF HUD-HELD DEBT AND MODIFICATIONS OF DEFAULTED FHA LOANS)**  
 (REVISED AUGUST 9, 2012)

(PLEASE SEE SECTION 14-13.OF CHAPTER 14, HANDBOOK 4350.1 FOR ADDITIONAL  
 DETAILS ON THE MATERIALS LISTED BELOW)

Item #	Applicant X	Item	For HUD Use
1.		Cover Letter Including Each of the Following:	
1.a.		<i>Summary/Overview of Proposed Transaction Including Type of Transaction Proposed</i>	
1.b.		<i>Proposed Amount of a Recast First Mortgage for a PPC, Paydown of HUD-Held Note, or Principal in a Modification that is Supportable by Cash Flow</i>	
1.c.		<i>Anticipated Closing Date (Generally Within 120 days From the Date of this Request)</i>	
1.d.		<i>Discussion of All Relevant Physical, Operational and Financial Problems Leading to the Default</i>	
1.e.		<i>Discussion of Steps Taken to Overcome Past and Present Problems Identified in 1.d. Above, and Assessment of Their Effectiveness</i>	
1.f.		<i>Summary of Owner's Response to any previous less than Satisfactory Management Reviews and/or Physical Inspection Reports (Copies of Reports and Responses are to be Attached.).</i>	
1.g.		<i>Discussion of How Project Meets all the Regulatory and Threshold Requirements for the Type of Transaction Proposed (See Chapter 14 of Handbook 4350.1, Sections 14-4. and 14-5. for PPCs, Sections 14-7. and 14-8. for Restructurings, and Sections 14-11. and 14-12. for Modifications)</i>	
1.h.		<i>Availability of Additional Financial Support that Could be Utilized for the Project, such as Guarantees, Letters of Credit, etc.</i>	
1.i.		<i>Additional information with respect to local support, stability and prospects of market, neighborhood condition, etc.</i>	
2.		Justification of Any Waiver of Any HUD Handbook or Regulation Needed and Why it is in HUD's Best Interest to Approve the Waiver	
3.		Certified Rent Rolls for Three Months Immediately Prior to Month of Application	

**DRAFT PPC APPLICANT'S CHECKLIST FOR SUBMISSION TO THE HUB/PC**

<b>Item #</b>	<b>Applicant X</b>	<b>Item</b>	<b>For HUD Use</b>
4.		Last 12 Months' Occupancy Statistics (Including Economic Vacancy Rates)	
5.		Summary of Current Concessions Being Offered at Property	
6.		Management Agent's Market Assessment and Marketing Plan	
7.		CPA's Certification of Net Equity Contributions (Described in <i>Chapter 14 of Handbook 4350.1</i> , Sections 14-5.C.for PPCs,, 14-8.H for Restructurings.) Not Required for Modifications.	
8.		Financial Statements Including:	
8.a.		<i>Last Three Years' Audited Financial Statements (2008-2010)</i>	
8.b.		<i>Interim/Year to Date Unaudited Financials (1/1/11- current date)</i>	
8.c.		<i>Current Year Budget with Year To Date Actual Expenses and Variances</i>	
8.d.		<i>Ten Year Operating Pro-Forma From Date of Closing (This may be included in Financial Model) And Narrative Discussion of Each Significant Income and Expense Account that is Inconsistent with Past Results</i>	
9.		Discussion of Current Condition of Project and Adequacy of Replacement Reserves	
10.		PCNA completed by an independent third party contractor using HUD guidelines if a) The property has replacement reserves of less than \$250/unit at the time of the Application, b) No PCNA has been completed within the 10 years prior to the date of the Applicant's request; or c) The property has a (REAC) physical inspection score below 80 points.	
11.		If a PCNA is Not Required, a 20 Year Replacement Reserve Study	
12.		Recent (within past 18 months) Appraisal or Market Study if Available	
13.		Owner's Agreement to Accept a Use Agreement	
14.		Mortgagee's Agreement to Accept a Use Agreement	
15.		Disclosure regarding prior PPCs on properties owned by the ownership entity, any of its principals, and any of their affiliates.	
16.		Completed PPC Model (Requested, Not Required, and Available through Hub/PC Project Manager) Electronic Version preferred.	

**ADDITIONAL MATERIALS FOR PROJECTS FUNDED WITH LOW INCOME HOUSING TAX CREDITS**

17.		Partnership Agreement, LLC Operating Agreement or Other Organizational Document Establishing Ownership of the Project and Defining Rights and Obligations of the Parties	
18.		Any documents in addition to those required in related to a guarantee, reserve or similar resource available to the project.	
19.		A certification 1) stating that all future equity installments, guarantees or similar resource commitments to the project have been disclosed, and 2) describing the current status of all outstanding equity installments and guaranties or similar resource commitments.	

**OWNER'S CERTIFICATION OF REQUEST:** I hereby certify that I am authorized by the organization identified below to sign on its behalf, and that all of the information provided to HUD in response to this checklist is complete and accurate to the best of my knowledge.

\_\_\_\_\_  
Name (Printed)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Project's Ownership Entity

\_\_\_\_\_  
Title

\_\_\_\_\_  
Project Name and FHA Number

*It is a crime to knowingly make false statements to a Federal Agency. Penalties upon conviction can include a fine and imprisonment. For details, see Title 18, U.S. Code 1001 and 1010.*