

Determinative Criteria

Application Submittal Checklist

This Checklist is to be used to document ownership transfer of a Project Based Section 8 Housing Assistance Payments Contract. Please contact your assigned HUD representative prior to submitting this form.

Project Name: _____ Contract Number: _____

No.	Item	N/A	√
Section 1: Transaction			
1-1.	Purchaser's Narrative: <i>Generally, the narrative should not exceed 3 pages in length.</i> Narrative to include: <ul style="list-style-type: none"> ✓ Briefly outline the financial details of the transaction ✓ Summary of proposed financing including amount of original debt service and the proposed new debt service. ✓ Specify if this is interim or permanent financing. <i>If this is interim financing a secondary DC package will be required at this time of permanent financing</i> ✓ Introduce the proposed Owner and Agent ✓ Provide a purchaser contact name, number and email (This is the person that HUD will contact if there are questions regarding the submission.) 		<input type="checkbox"/>
1-2.	Is the property subject to a Financial Adjustment Factor (FAF)? If yes, are the details of the FAF savings included?	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
1-3.	An appraisal is required if the property: <ul style="list-style-type: none"> ✓ is subject to FAF ✓ is requesting HUD to recognize additional debt service in future budgets Please note: Appraisal must: <ul style="list-style-type: none"> ✓ be within 6 months of HUD submission date. ✓ Appraisal based on As-Is market rents (not HAP rents). ✓ Sales Price based upon As-Is market rents. ✓ Mortgage underwritten at As-Is market rents. 	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
1-4.	Sources and Uses of funds relating to the transfer.		<input type="checkbox"/>
1-5.	Interim Unaudited Financial Statements for the property.		<input type="checkbox"/>
1-6.	a. Current financial statements for the purchaser. b. Personal Financial Statement form HUD 56142		<input type="checkbox"/> <input type="checkbox"/>
1-7.	Pro forma operating budget for the property.		<input type="checkbox"/>
1-8.	Recent assessment of the current physical needs of the property.		<input type="checkbox"/>
1-9.	If rehabilitation is proposed, a detailed description of the work to be done.	<input type="checkbox"/>	<input type="checkbox"/>
1-10.	Is the purchaser requesting HUD to recognize monthly deposits into a Reserve for Replacement account after the transaction? If so, provide a PCNA and/or 15-year capital plan. <i>HUD strongly encourages that a reserve account be initiated to assure the Capital Needs of the property are being met.</i>	<input type="checkbox"/>	<input type="checkbox"/>
1-11.	Purchase and Sales Agreement, if applicable	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	N/A	√
1-12.	LIHTCs? If Low Income Housing Tax Credits are involved, additional documents are required: a. Subsidy layering statements/submissions; Sources and Uses of funds, including repair list; if any see HUD Notice H 95-4 b. Copy of the LIHTC lease rider c. Copy of the Tax Credit Regulation Agreement/Extended Use Agreement	<input type="checkbox"/>	<input type="checkbox"/>
1-13.	Relocation Plan, if applicable	<input type="checkbox"/>	<input type="checkbox"/>
1-14.	Escrow Company Contact Information, if applicable	<input type="checkbox"/>	<input type="checkbox"/>
1-15.	Proposed Closing Date		<input type="checkbox"/>

Section 2: Ownership			
2-1.	a. Organizational chart b. Organization Documents		<input type="checkbox"/>
2-2.	Previous Participation Certification-form HUD 2530 o Submitted through APPS with signature pages mailed to HUD -or- o Paper 2530 submitted to HUD project manager		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2-3	Business Registry o Any new participant doing business with HUD must register in the Business Registry https://hudapps.hud.gov/apps/part_reg/apps040.cfm	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
2-4	DUNS Number _____ All ownership entities must have a DUNS Number		<input type="checkbox"/>
2-5	Direct Deposit Sign-up form SF-1199-A, for new owner entity. Include TIN and HAP Number on form. This will assure that subsidy is transferred to the new owner's account.		<input type="checkbox"/>
2-6	For LLCs – If new ownership entity is a Limited Liability Company, the organizational documents are required for review: a. Certified Copies of Articles of Organization and Operating Agreement or Code of Regulations and all amendments thereto; b. Certificate of Continued Existence. If the mortgagor is a foreign LLC holding a license as a foreign LLC under laws of the state in which the project is located, a certified copy of said license, and Continued Existence from the state of organization, or a legal opinion from an attorney licensed to practice in the state in which the project is located, that the company is qualified to do business and hold title to real estate in that state; c. Enabling resolution which authorizes the loan and designates the appropriate manager or member to execute the loan documents; and d. Incumbency Certificate with authorized member's signature. See MAP Guide.	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

	e. HUD LLC Rider to be added to the LLC Agreement		<input type="checkbox"/>
2-7	Personal Financial Statement, form HUD 56142		<input type="checkbox"/>
2-8	a. New Owners must provide resume exhibiting experiencing in operating HUD subsidized properties b. New Principles, if applicable, must provide resume	<input type="checkbox"/>	<input type="checkbox"/>
Section 3: Management Agent			
3-1.	HUD Management Forms <ul style="list-style-type: none"> o HUD-9832, Management Entity Profile <p>One of the following certifications:</p> <ul style="list-style-type: none"> o HUD 9839-A, Project Owner's Certification for Owner-Managed Projects o HUD 9839-B, Project Owner's Certification for Identity of Interest or Independent Management Agents o HUD-9839-C, Project Owner's/Borrower's Certification for Elderly Housing Projects Managed by Administrators 	<input type="checkbox"/>	<input type="checkbox"/>
3-2.	Previous Participation Certification-form HUD 2530 (Only required if agent for the property is changing.) <ul style="list-style-type: none"> o Submitted through APPS with signature pages mailed to HUD –or- o Paper 2530 submitted to HUD project manager 		<input type="checkbox"/>
3-3	Business Registry <ul style="list-style-type: none"> o Any new participant doing business with HUD must register in the Business Registry https://hudapps.hud.gov/apps/part_reg/apps040.cfm 	<input type="checkbox"/>	<input type="checkbox"/>
3-4	Tenant Selection Plan (For tax credit transactions and first time approval for agent)	<input type="checkbox"/>	<input type="checkbox"/>
3-5	Update Rent Schedule, form HUD-92458. No Rent Increase allowed without HUD approval.		<input type="checkbox"/>
3-6	Proposed Lease or Lease Addenda		<input type="checkbox"/>
3-7	If New Management Agent please provide following: <ul style="list-style-type: none"> a. Resume evidencing experience effectively managing HUD subsidized properties b. Proposed staffing to be charged to the property’s operating account. The list must include: <ol style="list-style-type: none"> 1. Job titles and approximate salary, including hourly rate; 2. A statement of position’s duties, if not obvious by title and whether the position is full or part-time; 3. If the employee will be working for more than 1 project and/or working part-time for the agent in a non-supervisory capacity, a statement of how that person’s time and salary will be allocated; c. Resident Complaints and their Resolution. Owners must provide a description of the system employed by the agent 	<input type="checkbox"/>	<input type="checkbox"/>

	for resolving resident complaints and actual examples of the agent's implementation system.		
Section 4: Contract			
4-1	Submit a draft Assignment and Assumption of the HAP. 1/2005 Revision		<input type="checkbox"/>
4-2	Current Contract Expiration Date: _____		<input type="checkbox"/>
4-3	Are you requesting either an early termination or extension of a contract that has not already been renewed under MAHRA? If so, please provide a letter detailing the needs and benefits of your request.	<input type="checkbox"/>	<input type="checkbox"/>
4-4	Will Proposed Owner be entering into a new 20 Year HAP Contract as part of the Assignment of HAP? (<i>Affordable Housing Preservation is strongly encouraged by HUD</i>) a. If so, please submit contract renewal under eligible option in accordance with Section 8 Renewal Guide to the PBCA (HUD's Contract Administrator) simultaneously with the submittal of the HAP Assignment request to HUD. Old and New Owners will need to agree to terminate the existing term Section 8 HAP contract so that the new owner may pursue a new 20-year HAP Contract along with preservation exhibit of remaining years on current contract.	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
Section 5: Miscellaneous			
5-1	Does the property have a Service Coordinator?	<input type="checkbox"/>	<input type="checkbox"/>
5-2	Does the property have a HUD Use Agreement?	<input type="checkbox"/>	<input type="checkbox"/>
5-3	Affirmative Fair Housing Marketing Plan (AFHMP), Form HUD 935.2 (see Handbook 8025.1 for guidance)		<input type="checkbox"/>