

# FHA Section 221(d)(4): Apartment New Construction or Substantial Rehabilitation Example Timeline

The following timeline is for discussion purposes only.

<b>Week 1:</b>	<ul style="list-style-type: none"> <li>• Lender Engagement.</li> <li>• Collection of lender's processing and legal retainer.</li> <li>• Underwriting kick-off call.</li> <li>• Collection of Third-Party Report deposits and engagement of appraisal, market study, and Phase I ESA.</li> <li>• Begin collecting Due Diligence items.</li> </ul>
<b>Week 3:</b>	<ul style="list-style-type: none"> <li>• Borrower provides limited plans and specs (rendering, site plan, elevations, typical unit layouts, etc.).</li> </ul>
<b>Weeks 4-6:</b>	<ul style="list-style-type: none"> <li>• Collection of required Due Diligence items.</li> <li>• Receipt of draft market study.</li> <li>• Concept meeting with HUD.</li> <li>• Analysis and underwriting by lender.</li> </ul>
<b>Week 7-8:</b>	<ul style="list-style-type: none"> <li>• Receipt of remaining draft third party reports.</li> <li>• All remaining Due Diligence items received.</li> </ul>
<b>Week 9:</b>	<ul style="list-style-type: none"> <li>• Review and finalize third party reports.</li> </ul>
<b>Week 10:</b>	<ul style="list-style-type: none"> <li>• Collection of 0.15% FHA Pre-Application Fee.</li> <li>• Submission of the FHA Pre-Application to HUD.</li> </ul>
<b>Week 19:</b>	<ul style="list-style-type: none"> <li>• Receipt of Invitation Letter from HUD.</li> </ul>
<b>Week 20:</b>	<ul style="list-style-type: none"> <li>• Borrower engages architect to complete full plans and specs.</li> <li>• Collection of deposits, engagement of Architectural and Cost reviewer, and engagement of appraisal update.</li> </ul>
<b>Week 24:</b>	<ul style="list-style-type: none"> <li>• Delivery of partially completed plans to A&amp;E reviewer.</li> </ul>
<b>Week 26:</b>	<ul style="list-style-type: none"> <li>• Delivery of full plans and specs to A&amp;E reviewer.</li> </ul>
<b>Week 28:</b>	<ul style="list-style-type: none"> <li>• Delivery of full costs to A&amp;E reviewer.</li> <li>• Receipt of draft appraisal and market study update.</li> </ul>

## FHA Section 221(d)(4):

### Apartment New Construction or Substantial Rehabilitation Example Timeline

<b>Week 32:</b>	<ul style="list-style-type: none"><li>• Receipt of draft Architectural and Cost Review.</li></ul>
<b>Weeks 33-34:</b>	<ul style="list-style-type: none"><li>• Incorporation of A&amp;E reviewer comments into plans &amp; specs.</li><li>• Discussions between lender, borrower, architect, and A&amp;E reviewer.</li></ul>
<b>Week 35:</b>	<ul style="list-style-type: none"><li>• Receipt of final Architectural and Cost Review.</li><li>• Receipt of final appraisal.</li></ul>
<b>Week 36:</b>	<ul style="list-style-type: none"><li>• Collection of 0.15% FHA Firm Application Fee.</li><li>• Submission of the FHA Firm Application to HUD.</li></ul>
<b>Week 45:</b>	<ul style="list-style-type: none"><li>• Receipt of Firm Commitment from HUD.</li><li>• Closing call with lender's and borrower's counsel.</li><li>• Draft closing documents distributed.</li><li>• Collection of 0.50% Good Faith Deposit (refunded at closing).</li><li>• Loan interest rate locked.</li></ul>
<b>Week 47:</b>	<ul style="list-style-type: none"><li>• Submit closing documents and Firm Commitment amendment to HUD.</li></ul>
<b>Week 50:</b>	<ul style="list-style-type: none"><li>• Closing.</li></ul>

## For more information, please contact:

**We can support you with expert advice that  
reflects your business needs and priorities**

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