

**HOME REHABILITATION AGREEMENT  
AMONG**

\_\_\_\_\_  
**[PROGRAM ADMINISTRATOR],**

\_\_\_\_\_  
**[CONTRACTOR]**

**AND**

\_\_\_\_\_  
**[HOMEOWNER]**

**HOME INVESTMENT PARTNERSHIP PROGRAM**

This **HOME REHABILITATION PROGRAM AGREEMENT** (the “**Agreement**”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ among \_\_\_\_\_, a sub-recipient who administers portions of the HOME Rehabilitation Program, on behalf of the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from but constituting a governmental instrumentality of the state of New Mexico, (hereinafter the “**Program Administrator**”) located at \_\_\_\_\_, \_\_\_\_\_, a \_\_\_\_\_, the contractor for services (hereinafter the “**Contractor**”) in the State of New Mexico with its principal place of business located at \_\_\_\_\_ and **[HOMEOWNER]**, \_\_\_\_\_ with a primary residence located at \_\_\_\_\_ (hereinafter the “**Owner**”). This Agreement shall remain in effect until the Project, defined below, is completed or until final payment has been disbursed.

**WITNESSETH:**

**WHEREAS**, the Owner is the owner of certain real property and the improvements thereon located at \_\_\_\_\_ as more particularly described in the New Mexico Mortgage Finance Authority Home Rehabilitation Program Award and Restrictive Covenants Agreement, (hereinafter, the “**Premises**”);

**WHEREAS**, the Program Administrator is administering the owner occupied HOME Rehabilitation Program (hereinafter the “**Program**”) to repair, rehabilitate, or reconstruct owner-occupied units;

**WHEREAS**, the Owner has submitted an application to the Program Administrator for financial assistance from the Program to rehabilitate the Premises;

**WHEREAS**, the Project shall consist of the rehabilitation of the Premises in conformance with the Scope of Work, attached hereto as Exhibit A, Program Rehabilitation Standards, attached hereto as Exhibit G and the plans and specifications approved by Program Administrator;

**WHEREAS**, the Contractor has been selected to furnish all labor, materials, equipment, and services necessary to reconstruct, repair and/or rehabilitate the Premises as memorialized in the Contractor Selection (Exhibit B);

**WHEREAS**, based on the qualifying information submitted by the Owner, and the Project's eligibility based on the Program Guidelines, the Program Administrator has approved funding for the rehabilitation Project with the use of HOME Investment Partnership Program funds made available by the United State/s Department of Housing and Urban Development funds ("**Program Funds**");

**WHEREAS**, the Summary or Scope of Work for the project is set forth in Exhibit A;

**WHEREAS**, the Program Administrator, the Contractor, and the Owner desire to define the terms and conditions upon which such financial assistance will be made available, and the Project will be completed; and

**WHEREAS**, the Program Administrator desires to define the terms to pay the Contractor for services, outlined in the Scope of Work (Exhibit A), concurrently here within provided that the terms and conditions outlined in this Agreement are met by all parties.

**NOW THEREFORE**, in compliance with all applicable requirements of 24 CFR 92.504 and 24 CFR 92.2, and in consideration of the mutual promises of the parties hereto, and of the mutual benefits to be gained by the performance thereof, the Program Administrator, the Contractor and the Owner hereby agree as follows:

## **ARTICLE 1 – CONTRACTOR COVENANTS**

**1.1 PROGRAM REQUIREMENTS.** Contractor acknowledges and understands that they are subject to the requirements of the HOME Investment Partnership Program defined in 24 CFR part 92. However, the contractor is not subject to uniform administrative requirements or HUD Audits. Further the Contractor may not assume the responsibilities of environmental review reports nor the decision making.

**1.2 PROJECT SCOPE OF WORK.** Contractor acknowledges that it has prepared the Contractor's Bid Proposal (Exhibit B) and that such proposal is accurate and consistent as to the Scope of Work (Exhibit A) that the Contractor will undertake. Further, the Contractor certifies the contract amount of \$\_\_\_\_\_, aligns with the Contractor's Bid Proposal (Exhibit B). The Contractor acknowledges the performance requirement established in the Program Rehabilitation Standards (Exhibit G) and Scope of Work and warrants that all work undertaken will conform to said specifications.

**1.3 LIEN WAIVERS.** Contractor agrees to protect, defend, and indemnify Program Administrator and Owner from any claims for unpaid work, labor, or materials with

respect to Contractor's performance. Final payment shall not be due until the Contractor has delivered to the Owner and Program Administrator, a complete unconditional release of all liens for work completed arising out of Contractor's performance.

**1.4 CONSTRUCTION SCHEDULE.** Contractor agrees to commence work no later than \_\_\_\_\_, 20\_\_, or **thirty (30)** days from the date of this Agreement and shall carry out its work with diligence and continuity in a good and workman like manner and in accordance with the Construction Schedule in this Section 1.3. If Contractor fails to commence work within thirty (30) days of the date outlined in this Agreement, Owner and/or Program Administrator shall have the right to terminate this Agreement. Such notice of termination shall be in writing.

Contractor agrees to complete work no later than **180 days** from the date **of this Agreement**. If completion is delayed for reasons beyond the Contractor's control, Contractor shall provide timely written notice to the Owner and Program Administrator of the reasons for such delay. If such good cause is claimed by the Contractor, it shall be the Contractor's obligation to substantiate its claim by providing Program Administrator adequate documentation.

In the event Contractor fails to complete work within 180 days from the agreed upon period and fails to provide evidence of good cause for such delay, the Owner/and or Program Administrator shall have the right to declare Contractor in default in accordance with Section 4.2 of this Agreement If an Opportunity to Cure is offered under Section 4.2 (b) and if Contractor fails to remedy such Event of Default within fifteen (15) calendar days of such notice, Owner shall have the right to select a substitute Contractor. If an Opportunity to Cure is not offered under Section 4.2 (b) the agreement with Contractor may be terminated effective immediately upon delivery of the Notice of Default and Owner shall have the right to select a substitute Contractor.

**1.5 CHANGE ORDERS.** This Agreement is based on visible observations made during the initial needs assessment inspection of the Premises and defined in the Scope of Work. Unforeseen conditions or other discoveries which were not visible during the initial assessment could lead to unexpected costs. In the event that such conditions are discovered by the Contractor during the Contractor's performance, Contractor shall issue a Change Order, defined below, for the Owner and Program Administrator's approval. No further work will be performed until the Owner, the Program Administrator and Contractor mutually agree on a reasonable means of addressing the unforeseen issues.

A "change order" is a written document listing the materials and labor required for services not listed in the original Scope of Work and must be approved and signed by the Program Administrator, Owner, and Contractor prior to the implementation of changes.

**1.6 LICENSING & REGISTRATION:** Contractor warrants that they possess all current and valid licenses and registrations required by the Program Administrator, state law, federal law, and local regulations, as applicable, for the work to be performed by the Contractor

on this Project. In the event the licensing expires before or during the active Project, Contractor must stop work on the Project until Contractor provides evidence that licensing is current and in good standing. Copies of Contractor's licenses and registrations are appended to this Agreement as Exhibit C.

**1.7 INSURANCE & LOSS COVERAGE.** Contractor warrants they have current and adequate General Liability Insurance, Auto Insurance and Workers Compensation Insurance, to cover injury to its employees and any others incurring loss or injury as a result of the acts of Contractor or its employees and subcontractors. With respect to all coverage required other than workers' compensation, **New Mexico Mortgage Finance Authority shall be named as an additional insured.** In the event the required insurance policies expire before or during the active project, Contractor must stop work on the project until Contractor provides evidence that insurance is current and in good standing. Copies of policies/certificates are appended to this Agreement as Exhibit D.

**1.8 SUBCONTRACTORS.** Contractor agrees that all the warranties contained herein shall apply to all work performed under this Agreement, including that which is performed by any subcontractors. The Contractor shall not contract with a proposed person or entity whose name appears on the federal list of Debarred, Suspended or Ineligible Contractors. Any and all subcontractors engaged for this project by Contractor shall be held to the same standards and must be properly licensed and insured according to Program Administrator, state and local regulations for the work to be performed by the subcontractor on this Project. The subcontractors that may be utilized for this Project are listed below:

| Contractor Licenses & Registrations:   |                                |                               |                              |
|--|--------------------------------|-------------------------------|------------------------------|
| Subcontractor Company Name   | Type/ Work Approved to Perform | Jurisdiction (State/Locality) | License/ Registration Number |
|  |                                |                               |                              |
|  |                                |                               |                              |
|  |                                |                               |                              |
|  |                                |                               |                              |
|  |                                |                               |                              |
|  |                                |                               |                              |
| If subcontractor is not required to have a license or registration for the specified work, list reason(s): |                                |                               |                              |
|  |                                |                               |                              |

**1.9 PERMITS, CODES AND INSPECTIONS.** Contractor agrees to secure all permits and licenses required for Contractor's performance and adhere to local codes and requirements whether or not covered by the specifications and drawings for the work, including any Contractor registration requirements. Contractor understands they must provide the Program Administrator with copies of all permits and as licenses required, **prior** to work commencing. Additionally, Contractor will provide the Program

Administrator with copies of any required state and local code inspection reports.

**1.10 REIMBURSEABLE COSTS.** Contractor will pay all upfront costs including but not limited to materials, employee wages and fees associated with permits, licensing and/or State/County/City inspection(s) of completed work, to be reimbursed by the Program Administrator as defined in section 3.3 Payment Schedule and as determined in this Agreement.

Additionally, Contractor is responsible for payment of all Project subcontractors, materials suppliers, and inspection fees to be reimbursed by the Program Administrator as defined in the section 3.3 Payment Schedule and as determined in this Agreement.

**1.11 INVOICING.** When requesting reimbursement, the Contractor must include the Contractor Payment Request Form, certifying that they have satisfactorily completed the necessary work to justify the payment request and that all bills incurred for labor used and materials furnished in making said repairs and improvements have been paid in full, along with a copy of the invoice. The Program Administrator must certify on the same form, that the work has been completed on the Contractors payment request.

**1.12 HOLD HARMLESS.** Contractor shall agree to defend, indemnify, and hold harmless the Owner and the Program Administrator from liability and claim for damages because of bodily injury, death, property damage, sickness, disease, and expense(s) arising from Contractor's performance under this Agreement to install or construct housing repairs and rehabilitation, and including but not limited to mechanic's liens. Contractor is acting in the capacity of an independent Contractor with respect to the Owner.

**1.13 MATERIALS.** The materials used in this project shall consist of: (select one)

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | <b>Materials listed in the attached Contractors Bid Proposal (Exhibit B)</b> |
| <input type="checkbox"/> | <b>Materials described below</b>   |
|                          |  |

All materials used in this Project shall be new, in compliance with all applicable Program Rehabilitation Standards (Exhibit G), including local laws and codes, and shall be covered by a manufacturer's warranty if appropriate, and obtained by Contractor, except as follows:

|   |  |
|---|--|
| <b>Materials Exceptions</b><br>(If no exception, write "N/A") |  |
|---|--|

NOTE: Should there be an issue with supply or availability of certain materials, Contractor must notify and receive written approval from the Program Administrator prior to proceeding with use of substitute materials. The Program Administrator will not be responsible for any materials or labor charges for unapproved materials.

**1.14 LEAD-BASED PAINT.** In areas where Lead Based Paint has been identified and will be disturbed, Contractors and sub-contractors must comply with applicable lead-based paint regulations per 24 CFR Part 35. Under the rule, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes built before 1978 must be certified to perform lead based paint abatement per, 24 CFR § 35.1330(a)(4) and must follow specific safe work practices to prevent lead contamination, per 24 CFR § 35.1345. Additionally, contractors must comply with applicable lead-based paint regulations, outlined in the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 et seq.), and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.)

A copy of the Lead-Based Paint Risk Assessment is attached under Exhibit E.

The worksite shall be prepared to prevent the release of leaded dust, and contain lead-based paint chips and other debris from hazard reduction activities within the worksite until they can be safely removed. Practices that minimize the spread of leaded dust, paint chips, soil and debris shall be used during worksite preparation.

Abatement shall be performed in accordance with methods and standards established either by a State or Indian tribe under a program authorized by EPA, or by EPA at 40 CFR 745.227(e), and shall be completed by achieving clearance in accordance with § 35.1340.

NOTE: Occupants shall not be permitted to enter the worksite during hazard reduction activities (unless they are employed in the conduct of these activities at the worksite), until after hazard reduction work has been completed and clearance, if required, has been achieved.

**1.15 ASBESTOS .** In areas where Asbestos has been identified and that will be disturbed, per NMAC 20.9.8.12 of the New Mexico State Code and the Clean Air Act (42 USC part 7401) federal law, Contractors and sub-contractors are required to follow

all federal, state, and local laws regarding asbestos handling, removal, control methods and disposal or asbestos waste. Additionally, Contractors must adhere to OSHA health and safety regulations regarding the specification of permissible exposure limits, engineering controls, worker training, labeling, personal protective equipment, respiratory protection, and disposal of asbestos waste, per 29 CFR 1926.1101 of the federal regulation. All asbestos containing waste must be deposited at a designated waste disposal site that is operated in accordance with 40 CFR 61.154. The Solid Waste Bureau administers regulations pertaining to asbestos disposal.

Failure to follow the required testing protocol will result in termination of this Agreement. The Program Administrator is not liable for damages caused by or penalties imposed for failure of the Contractor to follow all federal, state, and local laws regarding asbestos.

A copy of the Asbestos Survey can be found in Exhibit E.

**1.16 CONDITION OF THE PREMISES AND REMOVAL OF DEBRIS.** Throughout the work on the Project, the Contractor and subcontractors shall always keep the Premises clean and orderly. The Contractor shall remove all rubbish and debris from the Premises at the commencement of the rehabilitation as well as that resulting from the performance of said work and legally dispose of same. No burning will be permitted on the Premises unless a permit for the same is obtained. Upon completion of the Project, the Contractor shall remove all temporary construction equipment, salvage materials, trash and debris of all kinds and shall repair, at its own expense, any damage caused to the Premises by the Contractor or any of its subcontractors, employees, or agents, leaving the Premises in a neat condition, ready for occupancy.

**1.17 WARRANTY.** For good and valuable consideration, Contractor hereby agrees to provide a full one-year warranty to the Owner, which shall extend to subsequent owners of the Premises. The warranty shall provide that improvements of hardware and fixtures of whatever kind or nature installed or constructed on said Premises by the Contractor are of good quality and free from defects in workmanship or materials or deficiencies subject to the warranty contained in this paragraph. Contractor and Owner agree, however, that the warranty set forth in this paragraph shall apply only to such deficiencies and defects as to which Owner or subsequent owners shall have given written notice to the Contractor, at its principal place of business, within one (1) year from the date of Contractor's request for final payment, stating that all work under this Agreement has been completed.

Once final payment is made and the project is concluded, the contractor is solely responsible for any post-completion repairs, warranties, or guarantees that may be necessary.

**1.18 FINAL INSPECTION.** Final inspection will be made by the Program Administrator, Owner and Contractor upon the Home Rehabilitation Project's completion. At that time, the Program Administrator and Owner will have the opportunity to identify any work that

is unsatisfactory or incomplete, also called a "Punch List."

Contractor agrees to remedy all issues on the Punch List within five (5) business days, and to allow the Program Administrator to delay final payment until such issues are remedied and approved by the Program Administrator and Owner. Additionally, Contractor shall ensure that all permits are properly closed upon completion of inspections and that, where required, a Certificate of Occupancy is obtained at the conclusion of work.

Additionally, upon Project Completion and prior to final payment, the following forms must be executed: Certificate of Final Inspection; Certificate and Release; and a Waiver and Release of Mechanics Lien.

**1.19 NONDISCRIMINATION.** The Contractor agrees and warrants that in the performance of the Agreement such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of basis of race (including on the basis of traits historically associated with race, such as hair texture, length of hair, protective hairstyles, or cultural headdresses), color, national origin, ancestry, citizenship status, religion, sex, sexual orientation, gender identity, age, disability, serious medical condition, marital status, status with regard to public assistance, veteran status, or any other legally-protected status.

**1.20 PROHIBITION OF KICKBACKS.** The Contractor nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm, or person to submit a collusive or sham Bid in connection with the Contractor for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix any overhead, profit, or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance, or unlawful agreement, any advantage against the Program Administrator or any person interested in the proposed Contract; and

The price or prices quoted are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

**1.21 INTEREST OF MEMBERS, OFFICERS, EMPLOYEES OF PUBLIC BODY MEMBERS OF LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.** No member, officer, or employee of the Program Administrator, or its designees or agents, no member of the governing body of the locality in which the Project is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Project/Program during his tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project/Program



assisted under the Agreement.

**1.22 PROHIBITION OF BONUS OR COMMISSION.** The assistance provided under this Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining city or county approval of the application for such assistance.

**1.23 RECORD KEEPING.** Contractors involved in the HOME Investment Partnerships Program Single-Family Rehab are subject to retention period requirements. The HOME Investment Partnership Program mandates that all records related to the use of HOME funds must be retained for five years after project completion date. The Contractor must maintain detailed records of all activities, and expenditures including but not limited to: inspection reports, receipts and invoices.

**1.24 CORPORATE TRANSPARENCY ACT.** Contractor represents and warrants that it has already or will take all action necessary to comply with the Corporate Transparency Act prior to the deadline to so including registration with the U.S. Department of the Treasury.

**1.25 FEDERAL CONTRACT REQUIREMENTS.** Contractor represents and warrants that in addition to the federal requirements found in the body of this Agreement, it shall comply with the federal requirements found on Exhibit F.

**1.26 CONFLICT OF INTEREST.** The Contractor agrees to disclose to the Program Administrator any existing or potential relationships with the homeowner, including but not limited to familial, business, or financial relationships, that could present a conflict of interest. Such disclosure must be made in writing prior to the commencement of any work or execution of the contract.

## **ARTICLE 2 – OWNER(S): RESPONSIBILITIES AND COVENANTS**

**2.1 FALSE CLAIMS.** The Owner hereby swears and agrees that they have not made false claims and have provided all required documentation to determine eligibility for assistance based on the regulatory requirements dictated in 24 CFR part 92.254(b) and subject to the terms of this Agreement. Further, Owner understands that any omission, misrepresentation, misstatement, deletion, falsification, or other action that results in non-compliance with the regulations and requirements of the Program will be subject to immediate termination of this Agreement.

**2.2 OWNERSHIP OF THE PREMISES.** The Owner was the owner on record of the Premises as of the date of the Home Rehabilitation Program application submittal date, and remains the recorded owner of the Premises as of the date of this Agreement.

**2.3 PRIMARY RESIDENCE.** The Owner agrees and certifies that they reside at the Premises for which assistance is requested, as their sole and primary residence.

**2.4 UPKEEP OF HOUSING COSTS.** The Owner will ensure that all household expenses to include mortgage, taxes, insurance and utilities will be maintained and kept current

throughout the construction process, provided that if the Premises is uninsurable due to conditions at the Premises, Owner may provide proof that its application for insurance was rejected because the Premises is not insurable.

**2.5 RELOCATION.** The Owner understands that in some circumstances it may be required to relocate temporarily while construction is taking place. The Owner understands that it is not the responsibility of the Program Administrator or the Contractor to pay for the costs associated with the temporary relocation.

**2.6 PROPERTY ACCESS.** Owner agrees to provide New Mexico Mortgage Finance Authority employees, Contractor's employees and subcontractors with reasonable access to the Premises where the Home Rehabilitation Project is taking place. Contractor agrees to make reasonable efforts to prevent disturbance or damage to the property or surrounding areas.

**2.7 MONITORING WORK IN PROGRESS.** Owner shall monitor the work in progress on the Project on a regular basis and is responsible for notifying the Program Administrator in writing should any deficiencies in workmanship become apparent.

**2.8 INDEMNIFICATION.** To the fullest extent permitted by law, the Owner will indemnify and hold harmless the Program Administrator and its officers, agents, servants, employees, and board from and against any and all claims, damages, losses, expenses, attorney's fees, and compensation for personal injuries (including death to Owner and any other person) and damage to property, real or personal, including, but not limited to, the Premises, caused or alleged to have been caused, by the acts or omissions of the Owner, the Contractor and/or its agents, or anyone directly or indirectly employed by it, as a result of this Agreement, formation of the construction contract, design, construction and performance of work on the Premises, maintenance of said work, and anything related to participation in this Program as specified in the various "Project Documents" which include this Home Rehabilitation Agreement, the Home, the Award and Restrictive Covenants Agreement, and Owner's Contractor Selection.

**2.9 COMPLIANCE WITH FEDERAL REQUIREMENTS.** Owner acknowledges that all Project funds will be required to comply with federal laws and regulations applicable to rehabilitation of single-family owner-occupied residences utilizing HOME Investment Partnership Act funds and represents and warrants it shall comply.

**2.10 NOTIFY MORTGAGE SERVICER.** If the Owner has an existing first mortgage lien for the Premises, Owner agrees to notify their current mortgage servicer of an impending lien that will be filed and recorded with the county by the Program Administrator at the completion of the project.

**2.11 INSPECTIONS.** Owner agrees to allow inspection of the subject property, before project commences, during construction and after the project is completed by the Program Administrator, New Mexico Mortgage Finance Authority and state code enforcement entities. Owners are encouraged to thoroughly inspect the work completed before final payment or closeout of project.

**2.12 CONFLICT OF INTEREST.** Owner shall avoid any conflicts of interest when selecting or engaging with contractors for any projects or services under this program. A conflict of interest occurs when a contractor has a personal, financial, or other interest that may influence their ability to act in the best interest of the Owner. All potential conflicts of interest must be disclosed in writing to the Program Administrator prior to the selection of a contractor, and any such conflicts will be evaluated on a case-by-case basis. The Program Administrator reserves the right to terminate any contract or disqualify a contractor if a conflict of interest is identified.

**2.13 INVOICING.** Owner has the option to sign off on project milestone invoices that the contractor submits to the Program Administrator for reimbursement. Signatures will be collected in the form of e-signature, which requires the Owner to have an email address. If the Owner elects to sign off on all invoices they must make every effort possible to respond to the signature request within 24 hours to prevent project and funding delays. If the Owner does not respond to the signature request within 24 hours, the invoice will be processed without it. The Program Administrator will always complete an inspection to certify that all work was completed as indicated in the contractor payment request. Please make a selection below:

☐ Yes, Owner has a valid email address and elects to sign all invoices \_\_\_\_\_ (Owner Initials)  
*Preferred email address:* \_\_\_\_\_

☐ No, Owner does not elect to sign off on all invoices \_\_\_\_\_ (Owner Initials)

### **ARTICLE 3 – PROGRAM ADMINISTRATOR COVENANTS**

**3.1 FINANCIAL ASSISTANCE.** Program Administrator agree to provide financial assistance to the Owner for the Project in the form of a non-amortizing, 0% interest-subordinate loan (the “Loan”). The Loan will be due on sale, refinance, or transfer to a non-qualified owner during the Total Restrictive Period. The Total Restriction Period of the Loan is \_\_\_\_\_ years. The Loan will be forgiven at a rate **20%** of the principal balance per year during the last **five (5) years** of the Total Restriction Period. The specific terms of the Loan will be outlined separately between Owner and New Mexico Mortgage Finance Authority in the Award and Restrictive Covenants Agreement, which will be executed upon approval of the Project.

The Program Administrator certifies that the homeowner is in compliance with 24 CFR 92.254(b) requirements and will fund the Project using *HOME Investment Partnerships Program* Funds, in an amount not to exceed the program capacity as defined in the program manual. All parties acknowledge that the total agreed upon construction development cost of the Project is \$ \_\_\_\_\_ as detailed in the Contractors Bid Proposal (Exhibit B).

**3.2 PROJECT COSTS.** Program Administrator agrees to reimburse the Contractor for the following costs associated with the Project: materials, labor, design, permitting, engineering, equipment, travel costs related to project, lodging (if applicable and pre-

approved in writing by Program Administrator) and any other costs agreed upon by the Program Administrator and Contractor.

**3.3 PAYMENT SCHEDULE.** Program Administrator agrees to reimburse Contractor up to once per week, upon verification of satisfactory completion of Project milestones. The Program Administrator will complete an inspection, either virtually or in-person, to verify Contractor payment requests.

Final payment shall be processed after the Contractor provides the Owner with signed and executed final lien waivers, or lien releases, from each subcontractor and materials provider involved in Project. At the time the final invoice is issued, Contractor will provide Program Administrator a final conditional lien release or waiver, conditioned only upon receipt of final payment from New Mexico Mortgage Finance Authority, and acknowledging that upon receipt of full payment of the amount shown on the invoice all rights of Contractor to place a lien on the Owner's property in the future shall be waived.

**3.4 LEAD-BASED PAINT AND RADON TESTING AND DISCLOSURE.** Program Administrator will conduct and pay for all hazard testing as part of the Environmental Review, required by the Program for all homes built prior to 1978 and again after the hazard reduction activities have been completed. The Program Administrator will provide a notice to the homeowner within 15 calendar days of receiving the report

**3.5 CONSTRUCTION PROGRESS INSPECTIONS.** The Program Administrator will conduct progress and final inspections of construction to ensure that work is done in accordance with the scope of work, Program Rehabilitation Standards (Exhibit G) and applicable state and local codes.

**3.6 LIABILITY AND RESPONSIBILITY FOR REPAIRS.** Once the rehabilitation work is completed, and final payment is made, the Program Administrator is not liable or responsible for any subsequent repairs, issues, or damages related to the completed work. The Program Administrator will consider the rehabilitation work complete when the Contractor submits a final payment request, the final inspection is conducted and the Certificate of Final Inspection is signed by all parties. Final payment will be issued to the contractor only after all terms of the contract have been fulfilled, and the Program Administrator and Owner have verified satisfactory completion of the rehabilitation work.

The Program Administrator is not responsible for any future maintenance, repairs, or improvements needed after the project is completed.

Any issues related to the quality of work or materials after project completion must be addressed directly with the Contractor, and the Owner is responsible for resolving these matters.

**3.7 NO WARRANTY.** The Program Administrator does not offer any warranties or guarantees on the work performed by contractors. The Program Administrator role is limited to overseeing the program's compliance with applicable standards, not to

guarantee the longevity or quality of the completed work.

## ARTICLE 4 – DEFAULT

**4.1 INSTANCES OF DEFAULT.** The occurrence of any of the following events shall constitute a default under this Agreement (an “**Event of Default**”):

- (a) Breach of Agreement. If the Owner or the Contractor fails to perform any act, duty, obligation or other agreement contained herein or in any other Project Document or fails to forbear from any unpermitted act, or if the Owner or the Contractor abandons or terminates the Project or takes such steps that such an abandonment or termination is imminent.
- (b) Misrepresentation. If any representation or warranty made by the Owner or the Contractor or caused to be made for the Owner or the Contractor in any of the Project Documents prove to be incorrect in any material respect either at the time made or in during the term of this Agreement.
- (c) Receivership or Bankruptcy. If the Owner or the Contractor shall: (i) apply for or consent to the appointment of a receiver, trustee or liquidator of all or a substantial part of any of its assets; (ii) file or permit the filing of any petition or reorganization or the like under any insolvency or bankruptcy law, or the adjudication of it as a bankrupt, or make an assignment for the benefit of creditors or consent to any form of arrangement for the satisfaction, settlement or delay of debt or the appointment of a receiver for all or any part of its properties; or (iv) any action shall be taken by the Owner or the Contractor for the purpose of effecting any of the foregoing.
- (d) Condemnation or Seizure. If any agency or branch of the state or Federal Government, or local governmental instrumentality, body or agency shall condemn, seize or otherwise appropriate, or take custody or control of all or any substantial portion of the Premises.
- (e) Lack of Adequate Security. If the Program Administrator, at any time and in good faith, deems itself to be insecure. For the purposes of this Agreement, the Program Administrator shall be entitled to deem itself insecure when some event occurs, fails to occur, or is threatened, or some objective condition exists or is threatened which significantly impairs the value of the Premises.
- (f) Cancellation of Insurance. Failure of the Owner or the Contractor to keep in force all insurance required by this Agreement.
- (g) Violation of Terms in Other Project Documents. The occurrence of a default or violation under any of the Project Documents.

## 4.2 EVENTS IN INSTANCES OF DEFAULT.

- (a) Notice of Default. If the Owner or the Contractor defaults or shall commit or allow any breach of the Owner's or Contractor's covenants, agreements and other obligations under this Agreement, material or otherwise, including, without limitation, an Event of Default hereunder, the Program Administrator shall notify the Owner and/or the Contractor, as applicable, of the default in writing ("Notice of Default").
- (b) Opportunity to Cure. Upon the occurrence of an Event of Default, the Program Administrator may determine that permitting an opportunity to cure a default could jeopardize the Project or security or would not be in the best interests of the Program Administrator. Under those circumstances, no opportunity to cure need be given and the Program Administrator may seek other remedies. Without in any way limiting the preceding right to act without providing the opportunity to cure, the Program Administrator may provide the Owner or the Contractor, as applicable, fifteen (15) days after the Notice of Default, or such longer period of time as the Program Administrator may determine and set forth in writing, to cure or remedy the default or breach. Said cure or remedy will not be effective unless accepted, in writing, by the Program Administrator.
- (c) Remedies. Upon the occurrence of an Event of Default, the Program Administrator, shall have, to the full extent permitted by law, each and all of the following remedies in addition to those provided for in other portions of this Agreement:
  - (i) To suspend all further payments by the Program Administrator to the Contractor until such default is cured;
  - (ii) To proceed to enforce the performance or observance of any obligations, agreements, or covenants of the Owner or the Contractor in this Agreement or the Project Documents;
  - (iii) With respect to an Event of Default resulting from the acts or omissions of the Owner, to declare the entire amount of the Loan to be immediately due and payable and to bring any and all actions at law or in equity as may be necessary to enforce said obligation of repayment. In such Instances of Default, the Owner hereby agrees to repay immediately the entire costs already administered to the Contractor;
  - (iv) The right to a writ of mandamus, injunction or similar relief against the Owner or the Contractor, as may be appropriate, because of such default or breach; and
  - (v) The right to maintain any and all actions at law or suits in equity, including receivership or other proper proceedings, to cure or remedy any defaults or breaches of covenants under this Agreement.

## ARTICLE 5 - MISCELLANEOUS PROVISIONS

**5.1 DISPUTE RESOLUTION.** All parties agree to take reasonable measures to resolve any conflicts or issues before, during, and after the Home Rehabilitation Project. In the event that a satisfactory conclusion to any conflict cannot be reached, the parties agree to seek a resolution through a neutral arbitrator and agree that the decision of any such arbitrator shall be considered final and unappealable.

The parties or any of those involved in the dispute shall submit all disputes or claims, regardless of the extent of the work's progress, to the American Arbitration Association unless the parties mutually agree otherwise. Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and shall be made within a reasonable time after the dispute has arisen. The award rendered by the arbitration shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. If the arbitrator's award is in a sum which is less than that which was offered in settlement by a party the arbitrator may award costs and attorney's fees in favor of the party making the offer. If the award of the arbitrator is in a sum greater than that which was offered in settlement by a party, the arbitrator may award costs and attorney's fees in favor of the prevailing party.

**5.2 ANTI-HARRASMENT.** Both the Owner and Contractor understand that The Program Administrator will not tolerate any form of unlawful discrimination or harassment of a Program Administrator employee, New Mexico Mortgage Finance Authority employee or Contractor by any Third-Party including by the Third-Party's employees, owners, managers, members, directors, agents, or representatives. The Program Administrator and New Mexico Mortgage Finance Authority serves the public; however, threatening behavior toward any employee or contractor will not be tolerated. Failure of the Owner or Contractor to conduct themselves in a reasonable manner may result in termination of this Agreement and/or other legal action. Contractor and Owner agree to comply with New Mexico Mortgage Finance Authority's Third-Party Code of Conduct which can be found at [https://housingnm.org/uploads/documents/Third\\_Party\\_Code\\_of\\_Conduct.pdf](https://housingnm.org/uploads/documents/Third_Party_Code_of_Conduct.pdf)

**5.3 NONWAIVER.** If the Program Administrator does not exercise, or delays in exercising, or exercises in part any of the Program Administrator's rights and remedies set forth in this Agreement for the curing or remedying of any default or breach of covenant or condition, or any other right or remedy, in no event shall such non-exercise, delay or partial exercise be construed as a waiver of full action by the Program Administrator or a waiver of any subsequent default or breach of covenant or condition. Nothing in this Agreement may be construed as a waiver or limitation by the Program Administrator.

**5.4 SEVERANCE.** If any court determines any provision or provisions of this Agreement to be invalid, the remainder of this Agreement shall not be thereby affected.

**5.5 ORIGINALS.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the

same instrument.

**5.4 MULTIPLE OWNERS.** If there is more than one Owner, the obligations hereunder and under the Project Documents, shall be joint and several.

**5.6 MODIFICATION.** This Agreement may not be modified or amended in any manner except in a written agreement executed by all of the parties hereto.

**5.7 TERMINATION.** Any party may, within seven (7) calendar days of signing this Agreement, cancel this agreement for any reason by written notice to all other parties.

At any point during this Agreement, if any party concludes that further performance under this agreement is hampered by communication problems, misunderstandings or mistrust, or if the personal circumstances of the Contractor or Owner change to such a degree so as to interfere materially with the continuing progress of the work, either party may, upon seven (7) days' prior written notice to the other parties, terminate this Agreement.

Should the Owner terminate the contract after costs on the project have been expended, the Owner agrees to pay the Program Administrator back for expenses incurred.

**5.8 SURVIVAL.** All representations, warranties and covenants herein shall survive the execution and delivery of this Three Party Agreement and shall terminate only upon the termination of this Agreement, provided that any term of this Agreement which must survive for the parties to receive the benefit of the Agreement, will survive the expiration or termination of this Agreement. And provided further for the avoidance of doubt, the obligations of Owner under the Project Documents, including but not limited to the Financial Responsibility Agreement, and the Award and Restrictive Covenants Agreement shall survive termination.

**5.9 ACCEPTANCE.** The undersigned parties agree that, having read and understood the entirety of this Home Rehabilitation Program Agreement and its attachments, this Agreement shall commence as of the date indicated below with the full intent that all parties involved uphold and enforce the full terms of this Agreement at all times.

**5.10 AGREEMENT DATE.** This Agreement shall become effective as of the date the Program Administrator designee affixes their signature hereto.



**DO NOT SIGN THIS CONTRACT IF THERE ARE ANY BLANK SPACES OR  
MISSING ATTACHMENTS**

(The rest of this page has been intentionally left blank)

**IN WITNESS WHEREOF**, the parties hereto make and enter into this Agreement.

**OWNER:**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

**OWNER:**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

**CONTRACTOR:**

Business Name: \_\_\_\_\_

Printed Name:

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

**PROGRAM ADMINISTRATOR:**

\_\_\_\_\_

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Duly Authorized

**Exhibit A:**  
**Scope of Work**

**Exhibit B:**  
**Contractor's Bid Proposal (page 1) and Contractor  
Selection (page 2)**

**Homeowner Rehab Contractor Selection**  
(Only Applicable if using Homeowner Procurement)

I/We, \_\_\_\_\_ (Owner), at property address \_\_\_\_\_,  
(the "Premises") understand my/our rights of procurement and agree with the methods that have  
been used to procure the contractor for rehabilitation of my home. I/we understand that only  
reasonable bids, determined by the Program Administrator have been presented to me/us and that  
I/we have the right to choose any bids out of the proposals that have been presented to me/us.

I/We have been given the opportunity to be present throughout the procurement process and  
have reviewed all reasonable proposals from all qualified contractors for my/our home  
rehabilitation project. I/we elect to work with \_\_\_\_\_ (Contractor)  
of my/our own free will.

Further, I/We understand that this assistance will be in the form of conditionally forgivable, zero  
percent (0%) interest, deferred payment loan for \$ \_\_\_\_\_ as memorialized in the  
Restrictive Covenant Agreement.

IN WITNESS WHEREOF, Owner has executed this Agreement

\_\_\_\_\_  
Owner Signature

\_\_\_\_/\_\_\_\_/20\_\_\_\_  
Date

\_\_\_\_\_  
Owner Printed Name

\_\_\_\_\_  
Co-Owner Signature

\_\_\_\_/\_\_\_\_/20\_\_\_\_  
Date

\_\_\_\_\_  
Co-Owner Printed Name

\*Attachment: Contractor Proposal



## **Exhibit C: Contractor's License(s)**

**Exhibit D: Contractors Certificate of Liability Insurance  
(MFA Listed as additional insured)**

## **Exhibit E: Hazard Testing Reports**

(Lead Based Paint, Asbestos and Radon)



## **Exhibit F: Federal Contract Requirements**

Contractor hereby assures and certifies that, to the extent applicable, it will comply with:

### **LEGAL AUTHORITY**

Contractor and Owner possess legal authority to enter into this Agreement.

### **ACCESS TO INFORMATION**

Contractor and Owner will provide citizens with reasonable access to records regarding its Program assisted activities and management.

### **PROGRAM COMPLIANCE**

Contractor and Owner will comply with all applicable Program Regulations.

### **EQUAL EMPLOYMENT OPPORTUNITY**

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor.

#### **CLEAN AIR ACT**

Clean Air Act ([42 U.S.C. 7401-7671q.](#)) and the Federal Water Pollution Control Act ([33 U.S.C. 1251-1387](#)), as amended—If this Agreement exceeds \$150,000 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401-7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251-1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

#### **DEBARMENT AND SUSPENSION**

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than [Executive Order 12549](#).

The Contractor and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or involuntarily excluded from covered transactions; and, are not listed as an excluded party(ies) on the System for Award Management’s list of excluded parties accessed at [www.sam.gov](#). It will include the certification in DCA-BHD-177 in any proposal submitted in connection with the lower tier transactions.

#### **LOBBYING CERTIFICATION**

In accordance with the Housing and Community Development Act of 1974, as amended, the Contractor certifies that:

- a. no federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer

or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative contract;

b. if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative contract, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instruction; and c. 14. the Contractor will require that this language will be included in the award of contracts to all subcontractors, suppliers, and vendors related to this Contract.

c. **DRUG-FREE WORKPLACE**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, *et seq.*) and HUD's implementing regulations at 2 CFR part 2429.

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Contractor

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Signature

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Date

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Title

## Exhibit G:

# Housing NM HOME Homeowner Rehabilitation Property Standards

Last Revised: March 2025

### PROGRAM INTENT

The Homeowner Rehabilitation Program, funded through the HOME Investment Partnership Program, is designed to provide safe, decent, and sanitary housing for low-income homeowners, effectively creating sustainability for residents across New Mexico.

In accordance with 24 CFR 92.251(b) and 92.251(e) all housing assisted with HOME funds must meet specific Property Standards. The Participating Jurisdiction must establish written rehabilitation standards to ensure that HOME-assisted units are safe, decent, and sanitary.

This document serves as the guiding framework for the Housing NM HOME Homeowner Rehabilitation Program and must be adhered to for all program-funded projects.

### STANDARDS FOR REHABILITATION

The following categories must be reviewed and incorporated into all scopes of work:

1. Code Compliance Requirements
2. Health & Safety Issues & Substandard Conditions
3. Structural Requirements
4. Space & Occupancy Requirements
5. Sanitation Requirements
6. Mechanical System(s) Requirements
7. Safety Requirements
8. Resource Efficiency & Healthy Homes Standards

All rehabilitation work must align with these standards. Any requests beyond these requirements are not eligible under the Homeowner Rehabilitation Program. However, reasonable exceptions may be submitted to Housing New Mexico for review and consideration on a case-by-case basis.

### MAJOR SYSTEM SPECIFICATIONS

The major systems are encompassed within the eight (8) rehab standards listed above and detailed throughout this document. However, the “**major systems**” specified in this section must be evaluated and determined to have a minimum remaining useful life of at least five (5) years upon project completion. Each scope of work developed under these standards must ensure functionality, repair, or replacement of the major systems defined below.

Major Systems Defined Per 24 CFR 92.251(b)(ii):

- ✓ Structural Support
- ✓ Roofing
- ✓ Cladding & Weatherproofing (e.g., windows, doors, siding, gutters)

- ✓ Plumbing
- ✓ Electrical Systems
- ✓ Heating, Ventilation & Air Conditioning (HVAC)

## ACCESSIBILITY MODIFICATIONS

Housing New Mexico requires Subrecipients to evaluate reasonable modification requests for homeowners needing accommodations due to disability, handicap, or aging in place.

- ◆ All projects must comply with HUD property standards, which are mandatory and non-negotiable.
- ◆ If funding allows, reasonable accessibility requests should be incorporated into the project scope.
- ◆ If the cost of accessibility modifications exceeds available funding, a formal request must be submitted to Housing New Mexico for review and consideration.

## COMPLIANCE & OVERSIGHT

Compliance with these rehabilitation standards will be verified through the following measures:

- ✓ **On-Site Inspections** – Conducted by the Subrecipient or Program Administrator to certify compliance with established standards.
- ✓ **Housing New Mexico Oversight** – Includes random quality control (QC) checks during initial inspections and a thorough review of all project scopes of work.
- ✓ **Annual Monitoring Inspections** – Encompasses a review of completed projects to ensure alignment with the approved scope of work.

## 1. CODE COMPLIANCE REQUIREMENTS

HOME assisted homeowner rehabilitation projects, including manufactured housing, must meet all applicable state and local codes upon completion.

- ◆ 2021 New Mexico Existing Building Code: [14.7.7 NMAC](#)
- ◆ 2021 New Mexico Residential Building Code: [14.7.3 NMAC](#)
- ◆ 2021 New Mexico Plumbing Code: [14.8.2 NMAC](#)
- ◆ 2020 New Mexico Electrical Code: [14.10.4 NMAC](#)
- ◆ 2021 New Mexico Residential Energy Conservation Code 1 & 2: [14.7.6 NMAC](#) & [14.7.9 NMAC](#)
- ◆ 2021 New Mexico Fire Code: [10.25.5 NMAC](#)

If additional state or local codes are adopted, the requirements of those codes shall apply. The codes listed above serve as a quick reference for creating scopes of work; however, this list is not all-inclusive. **All applicable state and local codes must be followed for each project.**

## MANUFACTURED HOMES.

### REHABILITATION.

[24 CFR 92.251(b)] In HOME-funded rehabilitation of existing manufactured housing, the foundation and anchoring must meet all applicable State and local codes, ordinances, and

requirements or in the absence of local or state codes, the Model Manufactured Home Installation Standards at 24 CFR part 3285 as all rehabilitated mobile/manufactured housing must be placed on a permanent foundation in order to qualify for this Program.

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#### REPLACEMENT.

[24 CFR 92.251(e)] Construction of all manufactured housing including manufactured housing that replaces an existing substandard unit under the definition of “reconstruction” must meet the Manufactured Home Construction and Safety Standards codified at 24 CFR part 3280. These standards preempt State and local codes which are not identical to the federal standards for the new construction of manufactured housing.

- ✓ HOME assistance to manufactured housing units must comply with applicable State and local laws or codes regarding installation. In the absence of such laws or codes, the installation must comply with the manufacturer's written instructions for installation of manufactured housing units.
- ✓ All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of “reconstruction” must be on a permanent foundation that meets the requirements for foundation systems as set forth in 24 CFR 203.43f(c)(i).
- ✓ All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of “reconstruction” must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable Restrictive Period.

## 2. HEALTH & SAFETY ISSUES & SUBSTANDARD CONDITIONS

The following list of life-threatening deficiencies was developed from proposed NSPIRE life-threatening deficiencies, and must be identified during the inspection, incorporated into the scope of work, and addressed as soon as feasible.

### LIFE THREATENING HEALTH & SAFETY.

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#### UNIT/INSIDE

- ◆ **Carbon Monoxide Alarm** – missing, not installed in a proper location, obstructed or not producing audio or visual alarm when tested
- ◆ **Chimney** – visually accessible chimney flue or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior
- ◆ **Clothes Dryer Exhaust Ventilation** – dryer transition duct is detached, constructed of unsuitable material, missing, or has restricted airflow
- ◆ **Egress** – obstructed egress
- ◆ **Electrical** – exposed electrical conductor, outlet or switch is damaged, or the overcurrent protection device in the service panel is damaged

- ◆ **Flammable and Combustible Items** – improperly stored flammable or combustible item on or near an ignition source
- ◆ **Foundation** – appears to be in imminent danger of collapse or failure
- ◆ **Guardrail** – guardrail is missing, not installed, or not functionally adequate
- ◆ **Heating Ventilation and Air Conditioning (HVAC)** – resident is unable to maintain a minimum temperature of 68 degrees Fahrenheit through a safe heating source, heating system or device fueled by combustion has a misaligned, disconnected, improperly connected, damaged, blocked or missing exhaust vent, combustion chamber cover or gas shutoff valve is missing from a combustion-fueled heating appliance, or natural gas, propane or oil leak
- ◆ **Smoke Alarm** – not installed where required or does not produce an audio or visual alarm.
- ◆ **Structural System** – structural system exhibits signs of serious failure. A building structure safely supports and transfers weight loads. Structure can include, but not limited to, exterior walls, windows, roof, columns, and beams.
- ◆ **Toilet** – only one (1) toilet was installed and it is missing, damaged or inoperable
- ◆ **Water Heater** – chimney or flue piping is blocked, misaligned or missing, or gas shutoff valve is damaged or not installed

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## OUTSIDE

- ◆ **Chimney** – visually accessible chimney flue or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior, or chimney exhibits signs of structural failure
- ◆ **Clothes Dryer Exhaust Ventilation** - dryer exhaust ventilation system has restricted airflow
- ◆ **Electrical** – exposed electrical conductor, outlet or switch is damaged, or the overcurrent protection device is damaged
- ◆ **Flammable and Combustible Items** – improperly stored flammable or combustible item on or near an ignition source
- ◆ **Foundation** - foundation appears to be in imminent danger of collapse or failure
- ◆ **Guardrail** - guardrail is missing, not installed or not functionally adequate
- ◆ Natural gas, propane or oil leak
- ◆ **Structural System** – structural system exhibits signs of serious failure

## SUBSTANDARD CONDITIONS.

Any building or portion thereof which is determined to be an unsafe building in accordance with the Building Code or Uniform Physical Conditions Standards, or any building or portion thereof including any dwelling unit in which there exists any conditions that endangers life, limb, health, property, safety, or welfare of the public or occupants thereof shall be deemed to be substandard and must be addressed.

- ◆ **Structural Hazards.** Buildings or portions thereof shall be deemed substandard when they are or contain structural hazards. Structural hazards include, but are not limited to, the following:
  - ✓ Deteriorated or inadequate foundations
  - ✓ Defective or deteriorated flooring or floor supports
  - ✓ Flooring or floor supports of insufficient size to safely carry imposed loads
  - ✓ Members of walls, partitions or other vertical supports that split, lean, list, or buckle due to defective material or deterioration
  - ✓ Members of walls, partitions, or other vertical supports that are of insufficient size to carry imposed loads with safety
  - ✓ Members of ceilings, roofs, and supports or other horizontal members which sag, split or buckle due to defective material or deterioration
  - ✓ Members of ceilings, roofs, and supports or other horizontal members that are of insufficient size to carry the imposed loads with safety
  - ✓ Condition of stairs, railings and porches that are hazardous or not sound
  - ✓ Potential for collapse of the chimney or the chimney is not capable of safely carrying smoke, fumes and gasses from the unit to the outside
- ◆ **Hazardous Electrical Wiring.** Electrical wiring which was installed in violation of code requirements in effect at the time of installation or electrical wiring not installed in accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good condition or which is not being used in a safe manner shall be considered substandard.
- ◆ **Hazardous Plumbing.** Plumbing which was installed in violation of code requirements in effect at the time of installation or plumbing not installed in accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good condition or which is not free of cross-connections or siphonage between fixtures shall be considered substandard.
- ◆ **Hazardous Mechanical Equipment.** Mechanical equipment which was installed in violation of code requirements in effect at the time of installation or mechanical equipment not installed in accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good and safe condition or which is not being used in a safe manner shall be considered substandard.
- ◆ **Faulty Weather Protection.** Buildings or portions thereof shall be considered substandard when they have faulty weather protection. This is defined as conditions that would allow significant amounts of water or air to enter the unit which would result in damage such as the following:
  - ✓ Deteriorated, crumbling or loose plaster or stucco
  - ✓ Deteriorated or ineffective waterproofing of exterior walls, roof, foundation or floors, including broken windows or doors
  - ✓ Broken, split, rotted or buckled exterior wall coverings or roof coverings
  - ✓ Visible internal water damage that indicates roofing failure.



- ◆ **Faulty Materials of Construction.** The use of construction materials which are not specifically allowed or approved by the Building Code, or the use of approved materials which have not been adequately maintained in a good and safe condition, shall cause a building to be substandard.
- ◆ **Hazardous or Unsanitary Premises.** The accumulation of weeds, vegetation, junk, dead organic matter, debris, garbage, offal, rat harborages, stagnant water, combustible materials and similar materials or conditions on a premises shall constitute fire, health or safety hazards and shall be abated.

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## ENVIRONMENTAL HAZARDS

The presence of deteriorated paint in pre-1978 homes and/or radon are environmental hazards that must be addressed by Federal Mandate. In addition to these two, Housing New Mexico has also imposed testing for Asbestos for each project.

For a detailed breakdown of these testing requirements please refer to the regulation listed as well as the NM HOME Homeowner Rehabilitation Program Manual subsections listed in parenthesis:

- ✓ **Lead Based Paint:** Hazard controls must follow 24 CFR Part 35 Subpart R. [\(2.5.4\)](#)
- ✓ **Radon:** Mitigation measures must comply with HUD Notice CPD-23-103. [\(2.5.6\)](#)
- ✓ **Asbestos:** Engineering controls and work practices as prescribed in 29 CFR 1910.1001(c) must be followed. [\(2.5.5\)](#)
- ✓ **Mitigation measures:** For Lead-Based Paint, Asbestos, and/or Radon present, proper mitigation measures must be incorporated into the project's scope of work. These measures must be clearly specified to ensure contractors can accurately budget for the necessary mitigation during the bidding process. Only contractors licensed and qualified to perform abatement or mitigation in accordance with the standards outlined in Part 2 and Sections: 2.5.4; 2.5.5; 2.5.6 Rehab Manual are authorized to carry out these services.
- ✓ **Noise Attenuation:** For modernization projects in all noise zones, HUD encourages mitigation to reduce levels to acceptable compliance standards. See [24 CFR 51.101](#) for further details. For projects that are located near noise generators, at least one improvement to the envelope of the home must be included:
  - ◆ Improved building envelope components (better windows and doors, strengthened sheathing, insulation, sealed gaps, etc.)
  - ◆ Redesigned building envelope (more durable or substantial materials, increased air gap, resilient channels, staggered wall studs, etc.)

## 3. STRUCTURAL REQUIREMENTS

### GENERAL.

- ◆ Structures may be of any type of construction that is permitted by the Building Code.
- ◆ Buildings of every permitted type of construction shall comply with the applicable requirements of the Building Code.

- ◆ Roofs, floors, walls, foundations, and all other structural components of the building shall be sound and free from hazardous defects such as severe buckling, bulging or leaning; damaged or loose structural members; large holes; air infiltration, missing parts; falling or in danger of falling loose surface materials and capable of resisting any and all forces and loads to which they may be subjected and should have a useful of 5 or more years upon completion.
- ◆ All structural elements shall be proportioned and joined in accordance with the stress limitations and design criteria as specified in the appropriate sections of the Building Code.

#### **SHELTER.**

- ◆ Every building shall be weather protected to provide shelter for the occupants against the elements and to exclude dampness.
- ◆ The roof covering shall be capable of accommodating the required loads as specified in the Building Code.
- ◆ The roof shall provide a barrier against the weather to protect the supporting elements and the structure beneath.
- ◆ Roof covering materials shall be approved and installed in a manner consistent with the manufacturer's requirements and in accordance with the Building Code.
- ◆ All wood shall be protected against termite damage and decay as provided for in the Building Code.

#### **FOUNDATIONS.**

- ◆ The foundation and its' structural elements shall be capable of accommodating all superimposed live, dead, lateral, and all other loads in accordance with accepted foundation design practices.
- ◆ Lots shall be provided with adequate drainage and shall be graded as to drain surface water away from foundation walls.
- ◆ Finish grade shall be below floor grade as per the Building Code minimum requirements.
- ◆ If foundations are repaired/replaced, IECC Guidelines for Foundations apply:

| Foundation |                          |                           |                             |
|------------|--------------------------|---------------------------|-----------------------------|
|            | Basement Wall<br>R-Value | Slab R-Value<br>And Depth | Crawl Space Wall<br>R-Value |
| Zone 5     | 15/19                    | 10, 2 ft                  | 15/19                       |
| Zone 4     | 10/13                    | 10, 2 ft                  | 10/13                       |
| Zone 3     | 5/13                     | 0                         | 5/13                        |

#### 4. SPACE & OCCUPANCY REQUIREMENTS

##### LIGHT.

- ◆ Habitable rooms within a dwelling unit shall be provided with natural light by means of exterior glazed openings (i.e. windows, skylights) with a minimum opening area of 10 square feet. Habitable rooms include those for living, sleeping, cooking and eating. Bathrooms, closets, halls, storage or utility space are not considered habitable rooms.

##### VENTILATION.

- ◆ Habitable rooms within a dwelling unit shall be provided with natural ventilation by means of operable exterior openings (i.e. windows, doors) with a minimum opening area of 5 square feet.
- ◆ Bathrooms, laundry rooms, and similar rooms shall be provided with natural ventilation by means of operable exterior openings with a minimum opening area of 1½ square feet.
- ◆ In lieu of required exterior openings for natural ventilation, a mechanical ventilation system may be installed providing the number of air changes to meet code for the room being ventilated.

#### 5. SANITATION REQUIREMENTS

##### PLUMBING SYSTEMS.

- ◆ An acceptable plumbing system consists of three separate parts: an adequate potable water supply system; a safe, adequate drainage system; and ample fixtures and equipment. All installations shall be consistent with the Building Code.

##### SEPTIC SYSTEMS.

- ◆ Septic system use is limited to designated areas and must adhere to specific guidelines for proper installation and maintenance, including required approval and certification.

All Program Administrators and their contracted vendors must comply with all applicable state and local requirements. ([20.7.3 NMAC](#) & [20.7.11 NMAC](#))

#### **BATHROOMS.**

- ◆ Each unit must have a bathroom.
- ◆ The bathroom must be in a separate room with a flush toilet in operating condition.
- ◆ The unit must have a shower or a tub with hot and cold water in operating condition.
- ◆ These facilities must be connected to an approved disposal system.
- ◆ The washbasin or sink must have a gas trap (drain trap).
- ◆ Floors of bathrooms shall be resistant to damage from water or dampness.
- ◆ If the household has accessibility needs, modifications should be made to the extent practicable and within budget.

#### **KITCHENS.**

- ◆ Each dwelling unit shall be provided with a kitchen which is defined as being a separate room or area of a larger room which is used primarily for preparation of meals and storage of food. A bedroom with a refrigerator in it cannot be defined as a kitchen.
- ◆ Defined by facilities contained, a kitchen or kitchen area must have a separate kitchen sink for preparing food and washing dishes, with piped hot and cold water which drains into an approved system, a stove for cooking food, a refrigerator for storing food and facilities for the sanitary disposal of food and refuse.
- ◆ The sink shall be of a nonabsorbent material.
- ◆ All appliances must be free of hazardous conditions including a damaged or broken stove, sink or refrigerator that endangers users.
- ◆ There must be no evidence of gas or water leakage that presents the danger of fire or electrical shock.
- ◆ The stove and refrigerator must be free of potential hazards due to improper hookup.
- ◆ All countertop replacements must use mid-grade materials to ensure durability, functionality and sustainability. Acceptable materials include but are not limited to, granite, tile, butcher block, concrete, and solid surface/acrylic/corion. Alternative materials may be considered if they meet the program's quality and durability standards. Laminate should not be used as this material is considered low-grade and not sustainable.
- ◆ If the household has accessibility needs, modifications should be considered to the extent practicable and within budget.

#### **FIXTURES.**

- ◆ All plumbing fixtures shall be connected to a sanitary sewer or to an approved private sewage disposal system.
- ◆ All plumbing fixtures shall be connected to an approved system of water supply and be provided with hot and cold running water, except water closets may be provided with cold water only.
- ◆ All plumbing fixtures shall be of an approved nonabsorbent material.

All sanitary facilities shall be installed and maintained in a safe and sanitary condition and in accordance with applicable requirements of the Building Code.

## 6. MECHANICAL SYSTEM(S) REQUIREMENTS

### HEATING.

- ◆ Dwelling units shall be provided with heating facilities capable of maintaining a room temperature of 70° F. (21.1°C.) at a point 3 feet above the floor directly or indirectly in all rooms used for living.
- ◆ Such facilities shall be installed and maintained in a safe condition and in accordance with all applicable laws and requirements of the Building Code.
- ◆ Un-vented fuel-burning heaters are not permitted.
- ◆ Wood, wood pellet or similar heating devices must be installed according to the manufacturer's directions and according to applicable requirements of the Building Code.
- ◆ All heating devices and wood burning heaters shall be of an approved type.

### EVAPORATIVE COOLING SYSTEMS.

- ◆ Evaporative cooling systems shall be installed according to the manufacturer's guidelines.
- ◆ Evaporative cooling systems shall be installed to minimize the probability of damage from an external source.
- ◆ Every evaporative cooler shall be accessible for inspection, service and replacement without removing permanent construction.

### ELECTRICAL EQUIPMENT.

- ◆ All dwelling units shall be connected to electrical power.
- ◆ Every habitable room shall contain at least one electrical convenience outlet and at least one electric light fixture.
- ◆ Every water closet compartment, bathroom, and laundry room shall contain at least one GFCI type electrical convenience outlet and one electric light fixture.
- ◆ Every kitchen shall have at least two GFCI type electrical convenience outlets and one electric light fixture.

### WATER HEATERS.

- ◆ Gas water heaters may not be in bedrooms or other living areas unless safety dividers or shields are installed.
- ◆ Water heaters are to be properly installed and maintained with adequate venting, relief valves and discharge lines conforming to current Uniform Plumbing Codes.

### VENTILATION.

- ◆ Ventilation for rooms and areas and for fuel burning appliances shall be provided as required in the Building Code.
- ◆ Ventilation systems shall be maintained in good operational order.

## 7. SAFETY REQUIREMENTS

### ATTACHED GARAGES.

- ◆ Garages attached to dwelling units shall be completely separated from the residence and its' attic area by means in accordance with the Building Code.
- ◆ Openings from a private garage directly into a room used for sleeping purposes shall not be permitted.
- ◆ Other openings between a garage and residence shall be equipped with a properly fire rated self-closing door as prescribed by the Building Code.
- ◆ Garage and carport floor surfaces shall be of approved noncombustible material. That area of floor used for parking vehicles shall be sloped to facilitate the movement of liquids toward the main vehicle entry doorway.

### EGRESS.

- ◆ Dwelling units shall have access directly to the outside or to a public corridor.
- ◆ All buildings or portions thereof shall be provided with exits that meet the local Building Code, Fire Code or considered adequate by the appropriate local officials.
- ◆ Sleeping rooms shall have at least one operable window or exterior door approved for emergency egress, escape, or rescue. The unit must be operable from the inside to a full clear opening without the use of separate tools.
- ◆ If the household has accessibility needs, accessibility modifications should be designed to the extent practicable and within budget.

### SMOKE DETECTORS.

- ◆ Each unit must have at least one hardwired (with battery backup) smoke detector in proper operating condition on each level of the dwelling unit, including basements but excluding crawl spaces and unfinished attics.
- ◆ Smoke detectors are to be installed inside of each separate sleeping area or bedroom, in the corridor giving access to each separate sleeping area, and where there is a ceiling elevation change of two feet or more.
- ◆ A smoke detector must also be installed within 21 feet of any door to a sleeping area measured along a path of travel and, where a smoke alarm installed outside a sleeping area is separated from an adjacent living area by a door, a smoke alarm must also be installed on the living area side of the door.
- ◆ If the unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system designed for hearing impaired persons.
- ◆ Detectors must be installed in accordance with and meet the requirements of National Fire Protection Association Standard (NFPA) 72. For assistance in determining specific requirements mandated by the standard, agencies should contact State or local fire officials with jurisdiction over the proposed property and with expertise concerning these requirements.
- ◆ Where the use of hardwired smoke detectors places an undue financial burden or is infeasible, the PJ may consider a written exception to allow the install a smoke detector

that uses 10-year non rechargeable, nonreplaceable primary batteries as long as the smoke detector is sealed, tamper-resistant and contains a means to silence the alarm

### CARBON MONOXIDE DETECTORS

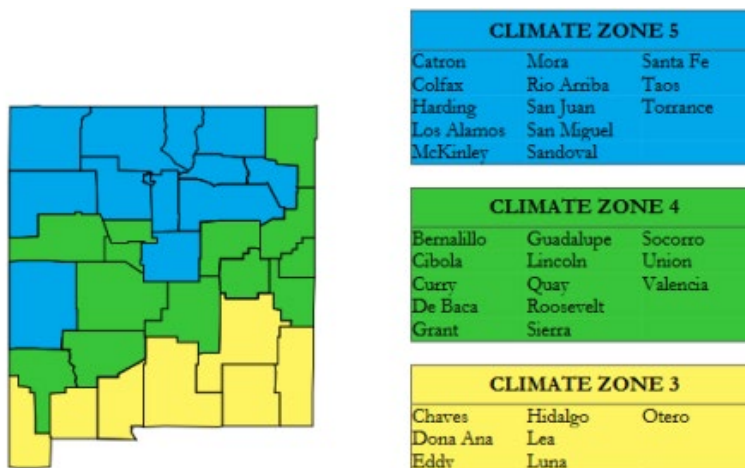
- ◆ Each unit must have carbon monoxide detectors installed, meeting the standards of the 2018 International Fire Code (IFC)
- ◆ Furthermore, HUD states all properties must have CO detectors installed in all dwelling units that meet or exceed the standards in Chapters 9, [Fire Protection and Life Safety Systems](#), and Chapter 11, [Construction Requirements for Existing Buildings](#), of the International Fire Code.

## 8. RESOURCE EFFICIENCY AND HEALTHY HOMES STANDARDS

Resource Efficiency should be integrated in the rehabilitation process using an approach that balances social, economic, and environmental factors. ***To the extent permissible by program guidelines budget***, rehabilitation should address:

- ◆ Energy efficiency
- ◆ Water efficiency
- ◆ Health materials [indoor environmental quality]
- ◆ Remediation of health hazards
- ◆ Waste reduction (Job site recycling & efficient use of materials)

Subrecipients are encouraged to work with the **New Mexico Energy\$mart Program** to ensure that weatherization activities are performed for each property rehabilitated. Standards vary by zone.



### HIGH EFFICIENCY TOILETS.

- ◆ All toilets with a flush capacity over 1.6 gallons should be replaced if the budget permits.
- ◆ Replacement toilets should be high efficiency toilets (HETs), which use less than 1.6 gpf, including pressure-assist toilets that consume as little as 1.0 gpf, gravity-flush toilets that consume 1.28 gpf, and dual-flush toilets that offer two flush volumes.

### LOW FLOW FIXTURES.

- ◆ All shower heads with a flow over 2.0 gpm should be replaced, and all faucets should be modified or replaced to achieve the following flow capacities:
  - ✓ Kitchen Faucets: Install a low-flow faucet aerator to 1.5 gpm (fixed-type or flip-type.)
  - ✓ Bathroom Faucets: Install a low-flow faucet aerator to 1.0 gpm.
  - ✓ Showerheads: Install showerheads that use 2.0 gpm.

### APPLIANCES.

- ◆ If replacing the following appliances, replacement units must carry Energy Star certification:
  - ✓ Dishwashers
  - ✓ Washer and Dryers
  - ✓ Room Air Conditioners
  - ✓ Central Air Conditioners
  - ✓ Ceiling and Ventilating Fans
  - ✓ Boilers, Furnaces or Heat Pumps
  - ✓ Programmable Thermostats

### HVAC.

- ◆ If replacing components of the HVAC system of a home, new HVAC systems must be properly sized to ensure energy efficiency following the Energy Star/ACCA Quality Installation Standards ([www.acca.org/quality/](http://www.acca.org/quality/)) and to manufacturer's specifications.

### WATER LINE AND WATER HEATER INSULATION.

- ◆ If replacing or repairing water lines or water heaters, provide proper insulation of these components to improve energy efficiency. Select durable pipe insulation, and tightly insulate as many water lines, hot and cold, as possible.
- ◆ For water heaters, use water heater blankets, and ensure that the air flow beneath gas-fired natural draft water heaters is not blocked. Follow the manufacturer's instructions.

### WALL, CEILING AND ROOF INSULATION.

- ◆ If repairing or replacing wall or ceiling/attic/roof insulation, ensure that new insulation adheres to the following standards and is formaldehyde-free:



| Insulation |                 |                         |                   |               |
|------------|-----------------|-------------------------|-------------------|---------------|
|            | Ceiling R-Value | Wood Frame Wall R-Value | Mass Wall R-Value | Floor R-Value |
| Zone 5     | 49              | 20 or 13+5 <sup>b</sup> | 13/17             | 30            |
| Zone 4     | 49              | 20 or 13+5 <sup>b</sup> | 8/13              | 19            |
| Zone 3     | 38              | 20 or 13+5 <sup>b</sup> | 8/13              | 19            |

### FLOORING.

- ◆ When replacing hard-surface flooring, utilize hard-surfaced, resilient flooring materials, such as tile, wood, wood-laminate, bamboo, cork, natural linoleum, or finished concrete. When installing flooring using glues, use only low-VOC, formaldehyde-free adhesives.
- ◆ When removing carpet, replace it with hard-surfaced flooring when possible.
  - When carpet is installed, it should be located only in low-moisture areas.
  - All carpet should be tacked down, not glued.
  - When possible, choose carpet products that are made from natural materials, such as wool, cotton, jute or hemp, but which have not been treated with pesticides or contain residues from dyes and finishes used in manufacturing.

### WINDOWS AND EXTERIOR DOORS.

- ◆ When replacing windows and exterior doors, adhere to the following standards set by Energy Star for minimum National Fenestration Rating Council (NFRC) ratings for U-Factor and Solar Heat Gain Coefficient (SHGC) for the particular geographic region:

| Windows |                       |                    |                          |
|---------|-----------------------|--------------------|--------------------------|
|         | Fenestration U-Factor | Skylight U- Factor | Glazed Fenestration SHGC |
| Zone 5  | 0.32                  | 0.55               | NR                       |
| Zone 4  | 0.35                  | 0.55               | NR                       |
| Zone 3  | 0.35                  | 0.55               | 0.25                     |

### PAINTS AND FINISHES.

- ◆ When painting or applying finishes, use only low- or zero-VOC (volatile organic compounds) paints, primers, sealants, adhesives, coatings and other finishes. Also, avoid plastic-coated paper and vinyl wall coverings.

### COMPOSITE WOOD.

- ◆ When installing or replacing composite wood, such as particle board and medium-density fiberboard (MDF), ensure that products are free of urea-formaldehyde, and do not install these materials in high-humidity or high-moisture areas.
- ◆ When composite wood must be used, choose products that are moisture-resistant, such as particle board and MDF produced with MDI (polyurethane) or phenol-formaldehyde binders. This standard also applies to cabinetry and furniture made with composite wood.

### INTEGRATED PEST MANAGEMENT.

- ◆ Do not use any insecticides. Use Integrated Pest Management methods to control pests.
- ◆ Seal all cracks, holes and crevices on interior surfaces and exterior surfaces to prevent access by pests.
- ◆ Use copper mesh to plug larger holes prior to finishing with plaster or drywall. Do not use steel wool.
- ◆ Place a thin dusting of 98% boric acid under kitchen cabinets, in wall cavities, cracks and crevices in the kitchen. ([www.doyourownpestcontrol.com](http://www.doyourownpestcontrol.com))