



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF THE ASSISTANT SECRETARY FOR
HOUSING-
FEDERAL HOUSING COMMISSIONER

Special Attention of:

Notice: H 2003 – 30

All Homeownership Center Directors
All Real Estate Owned Division Directors

Issued: December 23, 2003
Expires: December 31, 2004

Cross References:
H 01-01, January 2, 2001

**Subject: Elimination of Lead-Based Paint Hazards in HUD-Owned Single Family Properties
Built Before 1978 and Sold with FHA-Insured Financing**

This Notice cancels Housing Notice 01-01 and implements the requirements and terminology established by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X of the Housing and Community Development Act of 1992) and the lead-based paint regulations (the Lead Safe Housing Rule) at 24 CFR Part 35, Subpart F. The regulations establish procedures to eliminate lead-based paint hazards in HUD-owned single-family properties built before 1978 that are sold with Federal Housing Administration (FHA) insured mortgages (including 203(b) and 203(k) loans).

These requirements will become effective with the award of the new management and marketing (M&M) contracts in Fiscal Year 2004.

A. ~~A.~~ Applicability

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~~—~~The regulations at Subpart F apply to HUD-owned single-family properties that have been built before 1978 and are sold with FHA-insured 203(b) and (k) mortgages. The Office of Single Family Housing's implementation of the Department's Lead Safe Housing program will include the provision of full lead-based paint inspections (rather than only paint testing) of all HUD-owned single-family properties constructed before 1960 and all HUD-owned single-family properties constructed between 1960 and 1978 that are sold with FHA-insured financing. If the inspection identifies the presence of deteriorated lead-based paint, properties sold with FHA insurance will be subject to lead-based paint stabilization of such paint and clearance testing. A lead-based paint inspection of HUD-owned properties constructed after 1960 that are sold without FHA-insured financing will not be conducted by HUD.

B.

Summary of Lead-Based Paint Evaluation Procedures for Single Family Property Disposition

Lead-based paint inspections will be conducted under the single-family property disposition program in all pre-1960 homes and in 1960-to-1977 homes sold with FHA insurance. In accordance with EPA regulation (40 CFR 745), lead-based paint inspections will be performed only by certified inspectors and/or risk assessors certified in the State in which a property is located. The certified inspector or risk assessor must visit the property and obtain readings of lead-based paint, usually using a portable X-ray fluorescence (XRF) instrument. By HUD regulation (24 CFR 35), visual assessment for deteriorated paint, paint stabilization and lead clearance examinations before occupancy are required of pre-1978 FHA-insured single-family properties being sold by HUD. This work will include the paint stabilization plan to be provided to the management and marketing (M&M) contractors who will conduct the paint stabilization, which is construction/maintenance work. The inspector will conduct visual assessments to determine if deteriorated paint surfaces and/or if paint chips or other residue are present. Both exterior and interior painted surfaces shall be examined for the presence of deteriorated paint.

If deteriorated paint or debris or residue is present, the inspector shall identify the location(s) of the paint or debris for paint stabilization. The inspector will forward the result of the inspection and along with it areas targeted for stabilization to the HOC with a copy to the M&M contractor. The M&M contractor will have the responsibility to direct their staff or subcontractors to carry out stabilization procedures in the identified areas of the inspector's report.

The M&M contractor will inform the HOC when the property will be ready for clearance examination. The HOC will designate a contractor to perform the clearance examination and report the results to it, with a copy to the M&M contractor, so that the housing unit can be either reoccupied or re-cleaned (and then retested for clearance).

C. Contact Information

If you have any questions, please contact Wanda Sampedro, Director, Asset Management and Disposition Division, at (202) 708-1672.

Paperwork Reduction Act

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 2501-3520), and have been assigned OMB control number 2539-0009. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

John C. Weicher
 Assistant Secretary for Housing-
Federal Housing Commissioner, ~~H~~

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