Office of Assistant Secretary for Housing, HUD

§ 232.510

Health and Human Services considers acceptable and reasonable for protection against the hazards of fire and which the borrower agrees to install.

(3) For the purposes of this definition, the terms nursing home and intermediate care facility shall include those facilities designated as skilled nursing facilities or intermediate care facilities by the Department of Health and Human Services.

(d) Fire safety loan means any form of secured or unsecured obligation determined by the Commissioner to be eligible for insurance under this subpart and, in the case of an assisted living facility or a board and care home, made with respect to such a home located in a State which the Secretary has determined is in compliance with the provisions of section 1616(e) of the Social Security Act.

(e) Equipment cost means the reasonable cost of fire safety equipment fully installed as estimated by the Secretary of Health and Human Services and as determined by the Commissioner.

(f) Insured loan maturity means the date on which the loan indebtedness would be extinguished if paid in accordance with periodic payments provided for in the loan instrument or instruments.

(g) Approved lender means a financial institution or other mortgagee approved by the Commissioner as eligible for insurance under section 2 of the National Housing Act, or a mortgagee approved under section 203(b)(1) of the National Housing Act.

§ 232.510 Commitment and commitment fee.

(a) Issuance of commitment. Upon approval of an application for insurance, a commitment shall be issued by the Commissioner setting forth the terms and conditions upon which the fire safety loan will be insured.

(b) Type of commitment. The commitment will provide for the insurance of the loan after satisfactory completion of installation of the fire safety equipment, as determined by the Secretary of HHS.

(c) Term of commitment. (1) If the commitment fee is paid as required, a commitment shall have a term within which the borrower is required to begin construction, and if construction is begun as required, for such additional period as the Commissioner deems necessary for satisfactory completion of installation.

(2) The term of a commitment may be extended in such manner as the Commissioner may prescribe.

FEES AND CHARGES

§ 232.505 Application and application fee.

(a) Prior approval. An application for insurance of a fire safety loan under this part shall be considered only in connection with a proposal which has been approved by the Secretary of Health and Human Services, or his designee, based upon (1) his determination of need for such equipment to be installed in the facility as a condition for participation of providers of services under title XVIII and title XIX of the Social Security Act, and (2) his determination that upon installation of such equipment the project will meet the fire safety requirements prescribed by the Secretary of HHS for participation under titles XVIII and XIX of the Social Security Act.