Supplemental Instructions for the completion of FHA Form 2328, Contractors and/or Mortgagors Breakdown

FHA Form(s) 2328 submitted for firm commitment must be based on firm bldg of estimates or firm bids or estimates of each trade item. Comparisons will be made both at firm stage and cost certification on a line by line basis.

The enclosed instructions are intended to facilitate the proper completion of Form 2328, thereby minimizing delays in processing incurred in returning the forms for correction.

The following pages contain an expanded list of items which may be included in any one trade item. These listings are not all included in any one trade item. These listings are not all inclusive; however, they do cover the majority of items which will be of concern to FHA in the processing of any particular case. The sample trade description breakdowns are meant to solely to exhibit how Form 2328 should be filled in. Neither the Hi – or Low – rise descriptions are not meant to exemplify any real building nor are they exhibited to be considered all inclusive or typical. They are merely presented as specific examples of how the Form 2328 can be prepared in order to facilitate the accuracy and speed of processing of specific cases.

It is advised that the Cost Section should be contacted for additional information and/or the clarification of placement for any major item which may be particular to your project, but not listed in any of our trade item descriptions.

The Cost Section can be contacted between 8:00 am and 3:30 pm daily at 612 – 370 – 3000, extension 2294.
WHEN MORE THAN ONE FORM 2328 MUST BE PREPARED FOR FIRM APPLICATION

It is required to have separate Form 2328's for each building type in the project. Buildings are not an identical type according to one or more of the following variations:

1. Type of Configuration (walkup, townhouse, high-rise)
2. Variation in the Number of Stories (1-story, 2-story, 3-story, etc.)
3. Variation in Structural System or Manner of Construction (conventional wood frame, pre-fab packages or components, modular, pre-cast concrete, poured in place concrete, site cast concrete, masonry, steel frame, etc)
4. Variations in Architectural Fenestration or Layout (substantial changes in exterior finish materials, design configuration, building layout or composition.)
5. Whenever an Individual Building Serves as Common Facilities for a Project (Laundry, recreational, pool, mechanical, garages, etc.)

Whenever a project requires more than on Form 2328, the following procedure will be observed:

1. For each building or grouping of buildings, a Form 2328 will be filled out with separate sections for involved trades and totaled on Line 33.
2. For common facilities housing in an individual structure, this building will also follow the same procedure as for Item 1 above.
   
   **EXCEPT** when preparing Item 3 below – trade items dollars are not tallied across in totals for each item on RECAP sheet. Instead the total cost of common building is inserted on Line 32 as a lump sum for Accessory Structures.
3. After all individual Form 2328’s are completed down to Line 33 – individual trade items are tallied across all sheets and inserted on the Form 2328 labeled RECAP Sheet. Then accessory is inserted as a lump sum. When **Total Structures** is completed, the rest of the Form 2328 may be completed on a project basis.
LINE 1 DIVISION #3 CONCRETE

1. Labor and materials for all concrete, including concrete for footings, caissons, and pads, and cement work within structures and cement finishing (caisson drilling should be included in Line 34 – Earthwork).
2. Labor and materials for reinforcing steel, mesh, clips, chairs, and bolts.
3. Labor and materials for gravel or other fill and vapor barrier under slabs.
4. Labor and materials for framework.
5. Labor and materials for light weight concrete over sub-floor.
6. Labor and materials (including erection and caulking) for pre-cast concrete components (interior and exterior panels, floor and roof systems).
7. Labor and materials for concrete stairs (pre-cast or poured in place).
8. Labor and materials for expansion joints and concrete surface scoring.
9. Labor and materials for retaining walls if attached to the building.
10. Cost of required concrete testing.

LINE 2 DIVISION #4 MASONRY

1. Labor and materials for all interior and exterior brick, stone or block work, including sand, aggregate, mortar, and any necessary scaffolding.
2. Labor and materials for ornamental railing (including pre-cast).
3. Labor and materials for ties and reinforcing.
4. Labor and materials for cleaning.
5. Labor and materials for caulking necessary for brick work, if not included in painting.

LINE 3 DIVISION #5 METALS

1. Labor and materials for all structural steel beam, columns, pipe columns and bolts.
2. Labor and materials for ornamental railings (including balcony railings).
3. Labor and materials for steel stairs and ladders.
4. Labor and materials for steel joist floor and roof system (including steel decking).
5. Labor and materials for exterior metal siding applied to studs (wood or metal studs).
LINE 4  DIVISION #6  ROUGH CARPENTRY

1. Labor and materials for framing floors, walls, partitions, ceilings, and roof
2. Labor and materials for truss joist floor and/or roof system.
3. Labor and materials for wood trusses, glue lams, structural wood beams and columns.
4. Labor and materials for wall, floor and roof sheathing.
5. Labor and materials for soundboard, wall sheathing if applicable.
6. Labor and materials for soundboard in floors.
7. Labor and materials for wood exterior stairs and railings.
8. Labor and materials for exterior wood siding.
9. Labor and materials for trim, soffit, eave, and rake.
10. Labor and materials for caulking necessary under these trade items not included in masonry or painting.
11. Labor for installation of louvers.
12. Labor and materials for wood balcony railings.
13. Materials only nails and other rough hardware.
14. Labor and materials for individual or public storage units.
15. Labor and materials for aluminum siding.
16. Labor and materials for vinyl siding.

LINE 5  DIVISION #6  FINISH CARPENTRY

1. Labor and materials for installing interior wood trim and millwork.
2. Labor and materials for closet and linen closet equipment.
3. Labor and materials for wood window trim.
4. Labor and materials for tile window stools.
5. Labor and materials for interior paneling.
6. Labor and materials for all interior stairs.
7. Labor and materials for setting interior doors.
8. Labor only installing windows (note, if window subcontract includes installation in may be included on Line 11 but must be indicated).
9. Labor and materials for door hardware if not prehung.
10. Labor for installation of factory built kitchen cabinets and bath vanities (includes tops).
11. Labor only for installing medicine cabinets and specialty items.
12. Labor for bath accessories other than ceramic tile.
13. Labor only for installation of ranges, refrigerators, and dishwashers (not including plumbing hookups).
14. Labor only for finish hardware.
LINE 6  DIVISION # 7  WATERPROOFING

Waterproofing – Moisture Barrier under concrete floor slab is included in Division # 3
1. Labor and materials for basement or garden level foundation wall and waterproofing.
2. Labor and materials for crawl space ground cover.

LINE 7  DIVISION # 7  INSULATION

1. Labor and materials for ceiling insulation.
2. Labor and materials for wall insulation, walls dividing living units.
3. Labor and materials for perimeter slab insulation.

LINE 8  DIVISION # 7  ROOFING

1. Labor and materials for asphalt shingle (including nails).
2. Labor and materials for wood shingles or shakes (including nails).
3. Labor and materials for built up gravel roofing.
4. Labor and materials for rigid insulation with built-up roof.
5. Labor and materials for all roof sheet metals.

LINE 9  DIVISION # 7  SHEET METAL

(All duct work for heating and venting in Line 29)

1. Labor and materials for gutters and downspouts.
2. Labor and materials for crawl space.
3. Labor and materials for all flashing not included in roofing.
4. Material only for louvers.

LINE 10  DIVISION # 8  DOORS

1. Material only for interior and exterior doors with metal or wood bi-fold closet doors including hardware for pre-hung doors.
2. Material only for sliding glass doors, including hardware.
3. Material only for garage doors, including hardware.
4. Labor and materials for weather stripping.
LINE 11  DIVISION # 8  WINDOWS

1. Materials only for windows and screens.
2. Materials only for storm sash.
3. Materials only for basement windows.
4. Labor and materials for caulking windows and doors if not included in masonry or painting.

LINE 12  DIVISION # 8  GLASS

1. Labor and materials for glazing windows only.
3. Labor and materials for store front or window wall construction (including entrance doors and sidelights).

LINE 13  DIVISION # 9  LATH AND PLASTER

1. Labor and materials for stucco (interior and exterior).
2. Labor and materials for lath plaster including acoustical plaster.

LINE 14  DIVISION # 9  DRYWALL

1. Labor and materials for all drywall walls and ceilings (including taping, sanding and texturing).
2. Labor and materials for soundboard at common walls if applicable.
3. Labor and materials for resilient clips and channels.
4. Labor and materials for metal studs.
5. Labor and materials for spray texture ceilings.

LINE 15  DIVISION # 9  TILE WORK

1. Labor and materials for all ceramic tile work including bath accessories.
2. Labor and materials for terrazzo or slate floors.
3. Material only for tile window stools.
LINE 16       DIVISION # 9       ACCOUSTICAL
1. Labor and materials for acoustical ceiling tiles (dropped or suspended ceilings).

LINE 17       DIVISION # 9       WOOD FLOORING
1. Labor and materials for hardwood flooring including finish.

LINE 18       DIVISION # 9       RESILIENT FLOORING
1. Labor and materials for all types, including edging and strips.
2. Labor and materials for all types of base except wood or ceramic.

LINE 19       DIVISION # 9       PAINTING AND DECORATION
1. Labor and materials for exterior walls and trim.
2. Labor and materials for interior walls, ceilings, trim, doors and any surfaces to be painted.
3. Labor and materials for wall coverings.
4. Labor and materials for caulking necessary under painting trade.

LINE 20       DIVISION # 10       SPECIALITIES
1. Material for mailboxes.
2. Labor and materials for building directory bulletin boards.
3. Material for apartment numbers.
4. Material for toilets and bath accessories.
5. Labor and materials for painted signs within structures.
6. Labor and materials for metal storage units.
7. Material for lockers.
8. Labor and materials for laundry chutes.
9. Labor and materials for metal toilet partitions.
10. Labor and materials for chalkboard tackboards.
11. Material only for fire extinguishers.
LINE 21  DIVISION # 11  SPECIAL EQUIPMENT

Labor and materials for commercial or public kitchen equipment
1. Material for laundry equipment.
2. Labor and materials for non-moveable equipment for party rooms and
   recreational facilities within building.
3. Labor and materials for trash chute.
5. Labor and materials for sauna or steam room equipment.
NOTE: All equipment which is in a separate recreational building will be included in the
Accessory Structure lump sum figure.

LINE 22  DIVISION # 11  CABINETS

1. Labor and materials for kitchen cabinets and Formica tops, including hardware
   for cabinets (job built)
2. Labor and materials for bath vanities and tops (job built).
3. Materials only for factory finished kitchen cabinets and bath vanities and tops
   (Labor under Line 5, Finish Carpentry).

LINE 23  DIVISION # 11  APPLIANCES

1. Materials for ranges and refrigerators, range, range hood and fans.
2. Material only for dishwashers and microwaves.
3. Material only for fans, housings, and switch gear (ductwork under Line 29,
   Heating and Ventilation).
NOTE: Disposals to be included under Line 28, Plumbing and Hot Water.  Labor for
placing appliances is under Line 5, Finish Carpentry.

LINE 24  DIVISION # 12  BLINDS, SHADES, and ARTWORK

1. Labor and materials for shades.
2. Labor and materials for installing drapery rods.
3. Labor and materials for draperies.
4. Venetian blinds.
5. Pictures, paintings sculpture, and other decorator items.
LINE 25 DIVISION # 12 CARPETS
1. Labor and materials for carpet padding and carpeting.

LINE 26 DIVISION # 13 SPECIAL CONSTRUCTION
1. Labor and materials for prefabricated structures, units plumbing, walls or pods.
2. Labor and materials for swimming pools enclosed within the residential buildings.

LINE 27 DIVISION # 14 ELEVATORS
1. Labor and materials for elevators.
2. Labor and materials for dumbwaiters.

LINE 28 DIVISION # 15 PLUMBING and HOT WATER
(All cost to represent services to 5 feet outside buildings perimeter)
1. Labor and materials for complete bath and kitchen installation within structures including gas piping, disposals, laundry taps, insulation of piping when specified, and individual water heaters if applicable.
2. Labor and materials for roof drainage system (not including gutters and downspouts).
3. Labor and materials for building sprinkler system and standpipe.
NOTE:
   1. Site utilities for plumbing are not to be included here.
   2. Hookup fees are to be considered Development Fees and should not be as part of plumbing bid.

LINE 29 DIVISION # 15 HEATING and VENTILATION
1. Labor and materials for complete furnace and ductwork installation, including venting of gas fired heating unit. Central hot water boiler system.
2. Labor and materials for venting of range hood, bath and kitchen fans.
3. Labor and materials for central air conditioning must be indicated and include all necessary cost for complete installation including pad for compressor.

LINE 30 DIVISION # 15 AIR CONDITIONING
1. Labor and materials for through the wall individual room air conditioning units.
LINE 31  DIVISION # 16  ELECTRICAL

1. Labor and materials for complete electrical service including wiring, fixtures, bath fan, furnace, air conditioning, and disposal hook ups.
2. Labor and materials for TV antenna and security system.

LINE 33  ACCESSORY STRUCTURES

(Carry over to RECAP from individual Form 2328’s lump sum)

1. For community building.
2. For utility building.
3. For pool storage and laundry building.
4. For storage building.
5. For garage or carports (separate structures not enclosed within the perimeter of the residential building).

LINE 35  DIVISION # 2  EARTHWORK

(Within property lines only)

1. Labor and materials for site preparation (clearing and grubbing, top soil stripping and piling).
2. Labor and materials for caisson drilling and casing.
3. Labor and materials for box and plank trees and for tree wells.
4. Rough site grading with normal amounts of cut and fill.
5. All excavation and backfill (see Line 39).
6. Finish grading.
7. On site street and sidewalk cutting.

LINE 36  DIVISION # 2  SITE UTILITIES

(Within property lines only)

1. Labor and materials for gas, water, sanitary and storm sewers, electrical services, site lighting (include all underground services)

NOTE: To include service lines to mains only if in adjacent streets for all of the above.

No hookup fees are to be included in site utility estimates or subcontractor’s bids. These will be considered as a mortgagor fee and will not be included in the construction contract with out prior approval by the Cost Section.
LINE 37  DIVISION # 2  ROADS AND WALKS

1. Labor and materials for paving (asphalt or concrete) for streets and parking areas.
2. Labor and materials for curbs and gutters.
3. Labor and materials for walks and steps.
4. Labor and materials for surfacing for playground areas and pool areas.
5. Labor and materials for patios or terraces.

LINE 38  DIVISION # 2  SITE IMPROVEMENTS
(Within property lines only)

1. Labor and materials for equipment for playground & other special areas.
2. Labor and materials for walls, fences, and normal usage of retaining walls.
3. Labor and materials for street and project signs.
4. Labor and materials for trash removal areas.
5. Labor and materials for swimming and wading pools (and related equipment).
6. Labor and materials for water fountains and art objects.
7. Labor and materials for splash blocks and drainage equipment.

LINE 39  DIVISION # 2  LAWN and PLANTING
(Within property lines only)

1. Labor and materials for trees, shrubs, seeding and sodding.
2. Labor and materials for lawn sprinkler systems.

LINE 34  DIVISION # 3  UNUSUAL SITE CONDITIONS

1. Labor and materials for unusual amount of cut and fill.
2. Labor and materials for poor soil removal, replacement and compaction.
3. Labor and materials for unusual amount of retaining walls.
4. Labor and materials for extensive storm sewer system.
5. Labor and materials for extensive rock excavation.
6. Piling or deep foundations on 6 stories and under.
LINE 43     DIVISION # 1     GENERAL REQUIREMENTS

General Requirements – Direct Job Overhead

Include:
The cost for General Requirements will include the cost for those items incurred in the
collection of the project and directly pertaining to a specific project. It will not include
general overhead expense of operating the contractor’s home office. Items of cost to be
considered in determining General Requirements allowance include, but are not limited
to, such items as:
1. Supervision
2. Field engineering to provide grades and lines for locating buildings, streets and
   walks on the site.
3. Field office, phones, office supplies and equipment and clerical help.
4. Temporary sheds and toilets.
5. Temporary heat, water, light, and power for construction.
6. Cleaning and rubbish removal.
7. Building permits (not to include development fees)
8. Watchmen wages
9. Medical and first aid facilities.
10. Temporary protection and fences.
11. Hoists and cranes and equipment – rentals- when not directly attributable to the
    particular trade items in cost breakdown above.
12. CPA fee for contractors’ portion of cost certification.

LINE 45     BUILDERS GENERAL OVERHEAD

Non-cost Certifiable Item – At this time government projects are restricted to a
maximum of 2 % of Line 44 of your Form 2328.

Include:

The cost of Builders General Overhead will be expressed as a percentage which
is the portion of general overhead expenses necessary to conduct his business which
directly concerns the specific project under consideration. This percentage is applied to
the total cost including general requirements.

Including such items as office rent, fuel, lights, television, stationery, office
supplies, fire and liability insurance for the office, clerks, salaries, such as bookkeepers,
eneneprams clerks, estimators, and taxes and insurance for office personnel. The
allowance does not include the salaries of the builder or executives.
LINE 46  BUILDERS PROFIT

Include:
   The builders profit is expressed as a percentage typically expected by a General Contractor for a specific project under competitive conditions and varies according to the size and cost of the project. (If builders profit is to be used as equity indicate amount on Line 52 and deduct from total. Do not include on BSPRA on this form).

LINE 49  OTHER FEES - GENERALLY A SPONSORS COST

Builder’s portion of the Cost Certification will be included here if applicable.

LINE 50  BOND PREMIUM

Include:
   The rates for bond premium will be determined through information obtained from local bonding companies. The amount of the premium will be computed by applying the rates to the sum of the total costs for improvements to the land, structures, builders general overhead and builders’ profit. A letter of irrevocable can also be acceptable under certain circumstances as a substitute for Bond Premium.

DEMOLITION (Site) (Not to be included in the trade items)

Include:
   This should include all demolition work necessary before construction can begin. This item might include stall buildings, old foundations or utility lines. (Salvage monies must be credited to demolition cost if applicable, including any structures which can be sold for removal intact.
OFFSITE COST (Not to be included in items under Land Improvement Lines 35-41)

Include:

The cost of below items which occur outside the property lines of the project:

1. Curb, gutter and walk.
2. Paving and necessary base course.
4. Retaining walls.
5. Storm sewers, or drainage culverts.
6. Water sewer, electrical, and gas utility lines which must be extended to serve the project in question.
7. Extensive green area lawns, and planting outside property boundaries.

NONRESIDENTIAL AND SPECIAL EXTERIOR LAND IMPROVEMENTS

Costs which are included in trade item breakdowns. These are items not directly necessary for residential purposes, such as commercial areas, recreation or community buildings or areas, garages, carports, parking spaces or ramps, etc. They shall be listed separately with a cost for each.