



Real Property Prior Approval Guidance

Request for Approval

Grant recipients/grantees must obtain prior approval for the following types of recipient-initiated project or budget changes, [HHS Grants Policy Statement II-101](#):

- A revision that would result in a change in scope of the project, including proposed modifications that would materially alter the costs of the project, space utilization, or financial layout, resulting in changes in previously approved procurement method or contract. Modifications that would materially alter the costs include significant rebudgeting actions, whether or not the particular expenditure requires prior approval, and increase in the amount of Federal funds needed to complete the project.
- Any other applicable changes as specified in [45 CFR §75.407](#) Prior written approval (prior approval).
- Change in the use of the facility (e.g., no longer needed for the original intended purpose; use for different purpose).

The request for approval must include sufficient information to allow ACF to review the circumstances and need for the proposed change. The prior approval requests must include, at the minimum, the following seven (7) items and the required information under the heading *Purchase/Acquisition, Encumbrance, Construction and/or Major Renovation*:

1. the nature of the request and the impacted regulation(s) with citation(s).
2. the grant program impacted, a description of the project, the effective date and anticipated completion date (if applicable), and an explanation on the impact if the request is disapproved.
3. the justification for the request including how the project will meet the allowable, necessary, reasonable, and allocable requirements under the federal program requirements and (as applicable) the Uniform Administrative Requirements, [45 CFR Part 75](#).
4. the recipients/grantees identifying information (i.e., name, type of entity, period of performance, entire period of performance for the request, affected budget period).
5. a copy of the request signed by the Authorized Organizational Representative (AOR) of the recipient/grantee.
6. a statement addressing whether or not the same or a similar request was made previously for the same project/recipient/grantee. If yes, please explain why the previous request was made and the outcome.
7. the SF-424 Application for Assistance, the SF-424A Budget Information for Non-Construction Programs and SF-424B Assurances for Non-Construction Programs - OR - SF-424C Budget Information for Construction Programs and SF-424D Assurances for Construction Programs.

Purchase/Acquisition: In addition to the one (1) through seven (7) items, if the request is to purchase a facility with or without an encumbrance (e.g., loan, mortgage, deed of trust, promissory note) the following are required:

- Budget Justification.
- A statement whether the same or similar request has been requested previously.
- A description of the impact disapproval would have on the program.
- Program specific documentation to purchase/acquire a property. The recipient/grantee must indicate when the program application or waiver, as applicable, was submitted to the Program Office for review.
 - **For OHS Applicable Property grants:** See [45 CFR §1303.44](#) application to purchase, construct, and renovate facilities, including all supporting documentation.
 - **For OCC Tribal:** Not applicable.
 - **For OCS Applicable Property grants:** SSBG and CSBG require a waiver request per [45 CFR §96.15](#), and CED discretionary requires an application. See [45 CFR §96.15](#), [42 U.S.C. §9921](#), [42 U.S.C. §9918\(a\)](#), [42 U.S.C. §1397d](#).
- SF-429 Cover page and SF-429-B Attachment B (Request to Acquire, Improve or Furnish) submitted in OLDC. The OLDC help text, warning/error messages, and/or form instructions identify the following attachments:
 - SF-429 Cover page Line 2. Include all federal grants, or other identifying numbers that contributed funds to the property.
 - SF-429 Cover page Line 9. A copy of any documentation that relates to each parcel with a change in status.
 - SF-429-B Line 13b. A copy of the official legal description from public records.
 - SF-429-B Line 14a. If needed, the recipient/grantee may attach additional documentation to explain the intended use of the property.
 - SF-429-B Line 14f. A copy of the recipients/grantees property tracking document that identifies all federal and non-federal contribution (dollar and percentage) for the purchase and improvements of the property.
 - SF-429-B Line 14f. A copy of an appraisal conducted by a certified independent appraiser (no more than 3 years old).
 - SF-429-B Line 14g. If applicable, a copy of the Uniform Relocation Act (URA) documentation.
 - SF-429-B Line 14h. If applicable, a copy of the environmental compliance documentation.
 - SF-429-B Line 14i. If applicable, a copy of the National Historic Preservation Act (NHPA) documentation listing property on the National Register of Historic Places. For example, the section 106 request, correspondences, and approval (e.g., letter, certificate).
 - SF-429-B Line 15. A copy of any other documentation (e.g., Notice of Federal Interest) relevant to the request being made by the recipient/grantee.

Encumbrance: Please note that a deviation is required with or without a subordination. In addition to the one (1) through seven (7) items, if the request involves an encumbrance (i.e., new or existing including renewal, extension, or other modifications to an existing loan) the following are required:

- Budget Justification.
- A statement whether the same or similar request has been requested previously.
- A description of the impact disapproval would have on the program.
- Program specific documentation for new encumbrances. The recipient/grantee must indicate when the program application or waiver, as applicable, was submitted to the Program Office for review.
 - **For OHS Applicable Property grants:** See [45 CFR §1303.44](#) application to purchase, construct, and renovate facilities, including all supporting documentation.
 - **For OCC Tribal:** See [45 CFR §98.84](#) and [CCDF-ACF-PI-2016-05](#).
 - **For OCS Applicable Property grants:** SSBG and CSBG require a waiver request per [45 CFR 96.15](#), and CED discretionary requires an application. See [45 CFR §96.15](#), [42 U.S.C. §9921](#), [42 U.S.C. §9918\(a\)](#), [42 U.S.C. §1397d](#).
- Program specific documentation for existing encumbrances. The recipient/grantee must submit evidence (e.g., Notice of Award) that the previous submitted program application or waiver, as applicable, was approved:
 - **For OHS Applicable Property grants:** See [45 CFR §1303.44](#) application to purchase, construct, and renovate facilities, including all supporting documentation.
 - **For OCC Tribal:** See [45 CFR §98.84](#) and [CCDF-ACF-PI-2016-05](#).
 - **For OCS Applicable Property grants:** SSBG and CSBG require a waiver request per [45 CFR 96.15](#), and CED discretionary requires an application. See [45 CFR §96.15](#), [42 U.S.C. §9921](#), [42 U.S.C. §9918\(a\)](#), [42 U.S.C. §1397d](#).
- SF-429 Cover page and SF-429-C Attachment C (Disposition or Encumbrance Request) submitted in OLDC. The OLDC help text, warning/error messages, and/or form instructions identify the following attachments:
 - SF-429 Cover page Line 2. Include all federal grants, or other identifying numbers that contributed funds to the property.
 - SF-429 Cover page Line 9. A copy of any documentation that relates to each parcel with a change in status.
 - SF-429-C Line 13b. A copy of the official legal description from public records.
 - SF-429-C Line 14c. As needed, the recipient/grantee may attach additional document to explain the proposed use of the real property.
 - SF-429-C Line 14e. A copy of an appraisal conducted by a certified independent appraiser (no more than 3 years old).
 - SF-429-C Line 14e. A copy of the recipients/grantees property tracking document that identifies all federal and non-federal contribution (dollar and percentage) for the encumbrance of the property.
 - SF-429-C Line 14f. If applicable, a copy of the Uniform Relocation Act (URA) documentation.
 - SF-429-C Line 14g. If applicable, a copy of the environmental compliance documentation.
 - SF-429-C Line 14h. If applicable, a copy of the National Historic Preservation Act (NHPA) documentation listing property on the National Register of Historic Places. For example, the section 106 request, correspondences, and approval (e.g., letter, certificate).
 - SF-429-C Line 14i. A copy of, but not limited to, the following proposed documents:
 - a copy of the proposed loan, deed of trust, and promissory note verifying the amount and loan terms. If this is related to an existing loan, the original loan document, promissory note, and ACF's approval must be included. An explanation demonstrating that the recipient/grantee performed their due

- diligence by exploring the market and choosing the best available option. A comparable process that is considered a standard for due diligence is the procurement market search which requires a minimum of three (3) bids.
- a copy of the written lender or recipient/grantee request for approval of a mortgage with or without a subordination.
 - a copy of the subordination agreement (if required) or the loan agreement addendum that includes protective language of ACF's interests in the event of default. This includes, but not limited to, program purchased equipment, supplies and records (i.e., personalty).
 - If applicable, a copy of the inter-creditor agreement.
 - SF-429-C Line 15. If applicable, a copy of any related document to support the selection chosen under Line 14a.
 - SF-429-C Line 16. A copy of any other documentation (e.g., Notice of Federal Interest) relevant to the request being made by the recipient/grantee.
- If applicable, SF-429-B Attachment B (Request to Acquire, Improve or Furnish) submitted in OLDC. The OLDC help text, warning/error messages, and/or form instructions identify the following attachments:
 - SF-429 Cover page Line 2. Include all federal grants, or other identifying numbers that contributed funds to the property.
 - SF-429 Cover page Line 9. A copy of any documentation that relates to each parcel with a change in status.
 - SF-429-B Line 13b. A copy of the official legal description from public records.
 - SF-429-B Line 14a. If needed, the recipient/grantee may attach additional documentation to explain the intended use of the property.
 - SF-429-B Line 14f. A copy of the recipients/grantees property tracking document that identifies all federal and non-federal contribution (dollar and percentage) for the purchase and improvements of the property.
 - SF-429-B Line 14f. A copy of an appraisal conducted by a certified independent appraiser (no more than 3 years old).
 - SF-429-B Line 14g. If applicable, a copy of the Uniform Relocation Act (URA) documentation.
 - SF-429-B Line 14h. If applicable, a copy of the environmental compliance documentation.
 - SF-429-B Line 14i. If applicable, a copy of the National Historic Preservation Act (NHPA) documentation listing property on the National Register of Historic Places. For example, the section 106 request, correspondences, and approval (e.g., letter, certificate).
 - SF-429-B Line 15. A copy of any other documentation (e.g., Notice of Federal Interest) relevant to the request being made by the recipient/grantee.

Construction and/or Major Renovation: In addition to the one (1) through seven (7) items, if the request involves construction or major renovation of the facility the following are required:

- Budget Justification.
- A statement whether the same or similar request has been requested previously.
- A description of the impact disapproval would have on the program.
- Program specific documentation for construction and/or renovation projects. The recipient/grantee must indicate when the program application or waiver, as applicable, was submitted to the Program Office for review:
 - **For OHS Applicable Property grants:** See [45 CFR §1303.44](#) application to purchase, construct, and renovate facilities, including all supporting documentation.
 - **For OCC Tribal:** See [45 CFR §98.84](#) and [CCDF-ACF-PI-2016-05](#).
 - **For OCS Applicable Property grants:** SSBG and CSBG require a waiver request per [45 CFR 96.15](#), and CED discretionary requires an application. See [45 CFR §96.15](#), [42 U.S.C. §9921](#), [42 U.S.C. §9918\(a\)](#), [42 U.S.C. §1397d](#).
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 - SF-429 Cover page Line 2. Include all federal grants, or other identifying numbers that contributed funds to the property.
 - SF-429 Cover page Line 9. A copy of any documentation that relates to each parcel with a change in status.
 - SF-429-B Line 13b. A copy of the official legal description from public records.
 - SF-429-B Line 14a. If needed, the recipient/grantee may attach additional documentation to explain the intended use of the property. This may include, but not limited to:
 - description of the functions to be performed in the space;
 - space schedule (detailed description of floor space);
 - a list of fixed equipment proposed for the facility;
 - detailed project cost estimates;
 - identification of any special design problems;
 - description of existing or proposed utility systems for the modified space;
 - description of plans to provide accessibility for the physically handicapped;
 - description of safety criteria incorporated in the existing building and in the facility as modified;
 - if property is leased, provide a statement and documentation of the lease;
 - time schedule for each major activity in the project; and,
 - other information required by program legislation or regulation.
 - SF-429-B Line 14f. A copy of the recipients/grantees property tracking document that identifies all federal and non-federal contribution (dollar and percentage) for the purchase and improvements of the property.
 - SF-429-B Line 14f. A copy of an appraisal conducted by a certified independent appraiser (no more than 3 years old).
 - SF-429-B Line 14g. If applicable, a copy of the Uniform Relocation Act (URA) documentation.
 - SF-429-B Line 14h. If applicable, a copy of the environmental compliance documentation.
 - SF-429-B Line 14i. If applicable, a copy of the National Historic Preservation Act (NHPA) documentation listing property on the National Register of Historic Places. For example, the section 106 request, correspondences, and approval (e.g., letter, certificate).

- SF-429-B Line 15. A copy of any other documentation (e.g., Notice of Federal Interest, the lease agreement) relevant to the request being made by the recipient/grantee.
- If applicable, SF-429 Cover page and SF-429-C Attachment C (Disposition or Encumbrance Request) submitted in OLDC. The OLDC help text, warning/error messages, and/or form instructions identify the following attachments:
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 - SF-429-C Line 14e. A copy of the recipients/grantees property tracking document that identifies all federal and non-federal contribution (dollar and percentage) for the encumbrance of the property.
 - SF-429-C Line 14f. If applicable, a copy of the Uniform Relocation Act (URA) documentation.
 - SF-429-C Line 14g. If applicable, a copy of the environmental compliance documentation.
 - SF-429-C Line 14h. If applicable, a copy of the National Historic Preservation Act (NHPA) documentation listing property on the National Register of Historic Places. For example, the section 106 request, correspondences, and approval (e.g., letter, certificate).
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 - a copy of the proposed loan, deed of trust, and promissory note verifying the amount and loan terms. If this is related to an existing loan, the original loan document, promissory note, and ACF's approval must be included. An explanation demonstrating that the recipient/grantee performed their due diligence by exploring the market and choosing the best available option. A comparable process that is considered a standard for due diligence is the procurement market search which requires a minimum of three (3) bids.
 - a copy of the written lender or recipient/grantee request for approval of a mortgage with or without a subordination.
 - a copy of the subordination agreement (if required) or the loan agreement addendum that includes protective language of ACF's interests in the event of default. This includes, but not limited to, program purchased equipment, supplies and records (i.e., personalty).
 - If applicable, a copy of the inter-creditor agreement.
 - SF-429-C Line 15. If applicable, a copy of any related document to support the selection chosen under Line 14a.
 - SF-429-C Line 16. A copy of any other documentation (e.g., Notice of Federal Interest) relevant to the request being made by the recipient/grantee.