

How to Become an Approved 203(k) Consultant

Application Process

To apply for placement on the FHA 203(k) Consultant Roster, an applicant must submit the information listed below to the HOC in the area in which he/she will be conducting business. For detailed information on how to become an approved 203(k) Consultant, refer to Single Family Handbook 4000.1, Doing Business with FHA.

The application information should be submitted in the following format. A list or resume documenting:

- A minimum of three years of experience as a home inspector, remodeling contractor or general contractor. A state-licensed engineer or state-licensed architect does not need to document three years of experience;
- State licensing requirements (remodeling or general contractor, home inspector, etc.). In those states where a Home Inspector or contractor is required to be licensed, the Department requires the applicant to be licensed and to provide proof of that licensing;
- A narrative description of the current/prospective consultant's ability to conduct feasibility studies, review or prepare architectural drawings, use proper methods of cost estimating, prepare change orders, and complete draw inspections;
- A certification verifying that the consultant has read and fully understands the requirements of **HUD Handbook 4000.1**; and
- A **203(k) Consultant Roster Certification** on their letterhead.

Incomplete Application Packages

An individual who submits an incomplete application package (defined above in the section entitled "application process") will receive a letter indicating the information required to cure the deficiency. This letter will give the individual 15 Days to correct any deficiencies. If the individual does not satisfy the outstanding requirement in its entirety, and within the prescribed deadline, the approval will be denied and the individual must wait an additional 90 Days prior to reapplying.

Application Approval or Denial

FHA will approve or deny the consultant's application to be listed on the FHA 203(k) Consultant Roster based upon the information submitted. Inclusion of a consultant on the list means only that the consultant has met the qualifications prescribed by FHA for placement on the Roster; it does not create or imply a warranty or endorsement by FHA of the consultant, nor does it represent a warranty of any work performed by the consultant. If a consultant already on the roster is found to not be in compliance with requirements of the 203(k) program, the consultant may be removed from the roster.

Consultant Identification Numbers

Each applicant who meets the 203(k) program requirements will be issued a Consultant Identification (ID) number and will be informed of their recertification due date. This number will be needed by the consultant prior to doing any work associated with any 203(k) loan. The Consultant ID number will be used to assist the Department in evaluating the work of consultants. Mortgagees must enter the Consultant ID number on the insurance application screen and will not be able to process 203(k) cases without it.

Each consultant will be provided with only one Consultant ID number. After the number is issued, mortgagees, consultants and others can verify that the consultant has been placed on HUD's **203(k) Consultant Roster**.

Biennial Recertification

To retain placement on the FHA 203(k) Consultant Roster, the consultant must recertify every two years from the date of placement on the roster. The consultant is required to recertify that they are still in compliance with all laws, regulations, licensing, certification, registration or other approval requirements that govern their ability to perform as a 203(k) consultant in the states where they do business. Failure to meet the recertification requirements will result in removal from the 203(k) Consultant Roster. If removed from the roster, the consultant must submit a new application to be reinstated.