



**U. S. DEPARTMENT OF VETERANS AFFAIRS**  
**Regional Office, Fort Snelling**  
**1 Federal Drive**  
**St. Paul, MN 55111-4050**

February 23, 2001

REGIONAL LOAN CENTER MEMORANDUM NO. 01-04

**TO:** ALL PARTICIPATING MANAGEMENT BROKERS IN MINNESOTA,  
NORTH DAKOTA & SOUTH DAKOTA

**SUBJ:** REVISED MANAGEMENT BROKER RESPONSIBILITIES FOR RESIDENTIAL  
LEAD-BASED PAINT

**BACKGROUND**

1. The Department of Housing and Urban Development (HUD) has issued final Regulations mandated by Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X). The final rule provides the regulations on the evaluation, reduction, and notification of any known lead-based paint or lead-based paint hazards in target housing (residential housing constructed prior to 1978).
2. The final rule now applies to all VA-owned target housing, and will change the inspection and reporting requirements for VA Management Brokers.

**WHAT THE REGULATIONS REQUIRE**

1. Under these regulations, The Title X final rule identifies “target housing” as housing constructed prior to 1978, and requires the following activities to eliminate, as far as practicable, lead-based paint hazards prior to the sale of a residential property that is owned by VA.

Properties Constructed prior to 1978:

- Visual assessment of all painted surfaces
- Paint stabilization of all deteriorated paint
- Clearance examination
- Notification/Disclosure

2. Effective Date. Effective upon receipt of this letter, Management Brokers will assist VA in the implementation of the above requirements in the course of their regular duties on all target housing, which is any VA-acquired property constructed prior to 1978.

### **RESPONSIBILITIES OF THE MANAGEMENT BROKER**

1. Management Broker responsibilities are revised to ensure that all target housing is appropriately identified, and that construction dates are derived from accurate sources. The St. Paul Regional Loan Center has determined that the source you should use to obtain construction date information on subject properties is either city or county records.

- Perform a visual assessment report on all interior and exterior paint surfaces to accurately identify any deteriorated paint. Please immediately complete the free, Housing and Urban Development (HUD) training course to learn the procedures for conducting and reporting the visual assessment. The course is free and is located on HUD's internet site <http://www.hud.gov/lea/lbptraining.html>. The course is entitled HUD Visual Assessment Training Course. Also, you can link to the course through our VA Internet Site at [www.vba.va.gov/rostpaul.htm](http://www.vba.va.gov/rostpaul.htm). Once you have completed the course, you can mail the notice of completion or e-mail the completed certificate to [lgydjohn@vba.va.gov](mailto:lgydjohn@vba.va.gov). If you do not have access to the internet, you can call us at 1-800-827-0633 for assistance. Please forward a copy of the notice of completion to the regional office as soon as possible.
- If paint stabilization is to be performed, order a clearance examination from a qualified clearance examiner. In order to facilitate the timely completion of the work, you should coordinate the clearance examiner and the repair contractor's work. Please expedite the submission of invoices the same day they are approved for payment.

2. The following information provides new guidance on completion of VA Form 26-0595v, Property Inspection Report and Market Analysis (PIR):

- Enter the date the home was built in Section 8 "Property Description."
- Enter detailed data in Section 15 "Environmental Hazards."
- Enter the data source from where the construction date was obtained in Section 26. Provide the visual assessment report results on all painted surfaces.
- Enter detailed paint stabilization repair specifications and estimated costs in the repair section of the property inspection report.

## TRANSITION ASSISTANCE AREA

**1. In Minnesota, North Dakota and South Dakota, we are presently designated as a Transition Assistance Area. We are therefore exempt from using licensed contractors or obtaining clearance inspections by a certified lead-based paint inspector, risk assessor, or clearance technician. Each Management Broker, however, must take the HUD Visual Assessment Training Course.**

2. The exemption is valid until March 15, 2001. We assume, however, that most of the areas in each state will apply for another exemption from HUD. You will be notified by your Realty Specialist if your area is a Transition Assistance Area after March 15, 2001.

Please call our office if you need clarification on the contents in this release or if you need assistance in completing the HUD Visual Assessment Training Course. You may use the computers in our office if needed.

A copy of Circular 26-01-1 is enclosed for your reference.

Your continued participation in our program is appreciated.

/s/D. F. MUNRO  
D. F. MUNRO  
Loan Guaranty Officer

Enclosure:  
Circular 26-01-1