



Cost Containment Certification

Project Name: _____ Date: _____

Section I. Purpose of Cost Containment Certification

Pursuant to the MIP Term Sheet, a cost containment certification must be provided at construction loan closing in a form acceptable to CalHFA in its sole discretion. The purpose of the cost containment certification is to provide evidence to CalHFA that the MIP Applicant has established and implemented cost containment strategies to minimize construction costs. The Applicant must complete the [Applicant's Project Cost Containment Strategy Summary](#) below that outlines the specific strategies and implementation of same. Section III. outlines some examples of cost containment measures that the Applicant should consider.

Section II. Minimum Cost Containment Threshold

Cost Containment measures should include but are not limited to 1) competitively bidding out all major subcontractor and self-performing trades and 2) engaging value engineer/consultant during the design process. Any deviation to the minimum cost containment threshold is subject to CalHFA's approval, in its sole discretion.

Section III. Applicant's Project Cost Containment Strategy Summary

Section IV. Cost Containment Certification

Cost Containment measures should include but are not limited to 1) competitively bidding out all major subcontractor and self-performing trades, 2) type of construction contract (AIA GMP contract, Stipulated Sum, Cost Plus Fixed Price, etc.) and 3) engaging value engineer/consultant during the design process. Any deviation to the minimum cost containment threshold is subject to CalHFA's approval, in its sole discretion.

Name: _____ Title: _____

Entity Represented: _____ Date: _____

Signature: _____