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Closing Lists

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 221 d 4 INITIAL

PROJECT NAME: ______________________________

FHA PROJECT NUMBER: __________________________

The HUD closing attorney will obtain THREE copies of all closing documents unless otherwise noted below. These will be Originals (O) or Certified Copies (C) as indicated below.

Documents:

___ 1. Attendance List

___ 2. Commitment (form HUD-92432), Amendment or Assignment, if any ......................... 3

___ 3. Mortgagor’s Organizational Documents ........................................................................... C & 2

___ a. Corporate Mortgagor
   (i) Articles of Incorporation
   (ii) Code of Regulations
   (iii) Certificate of Good Standing dated within 30 days of closing
   (iv) Incumbency Certificate
   (v) Resolution who can sign closing documents

___ b. Partnership Mortgagor
   (i) Partnership Agreement
   (ii) Certificate of Partnership
   (iii) Full Force & Effect Certificate dated within 30 days of closing
   (iv) Resolution who can sign closing documents

___ c. Limited Liability Company Mortgagor
   (i) Articles of Organization
   (ii) Operating Agreement
   (iii) Certificate of Continued Existence dated within 30 days of closing
   (iv) Resolution who can sign closing documents

___ 4. Mortgagor General Partner(s)’ Organizational Documents (same as Exhibit 3), if applicable ........................................................................................................... C & 2

___ 5. Regulatory Agreement ........................................................................................................ O & 2

___ 6. Mortgage Note .................................................................................................................... 3

___ 7. Mortgage Deed .................................................................................................................... 3

___ 8. Security Agreement ............................................................................................................. 3

03/15/2002
Appendix 12

Closings

a. Financing Statement (UCC-1)
b. Financing Statement (UCC-1)

___ 9. 1992 ALTA Title Insurance Loan Policy ................................................................. 3
   a. ALTA Form 8.1 Environmental Endorsement
   b. ALTA Form 9 Comprehensive Endorsement
   c. Copies of all exception documents

Note: 1999 Minimum Standard Detail Requirements (MSDR) for (ALTA)/(ACSM) Land Title Surveys for multifamily projects insured by FHA are also acceptable.

___ 10. Survey Plat dated within 120 days of closing ....................................................... 3

___ 11. Surveyor's Report dated within 120 days of closing (HUD-2457) ............................ O & 2

___ 12. Evidence of Zoning Compliance ........................................................................... O & 2

___ 13. Building Permit(s) .................................................................................................. 3

___ 14. Notice of Commencement dated within 30 days of closing, if applicable ............... 3

___ 15. Assurance of Utility Services Letters .................................................................... O & 2

   ___ a. Water   ___ d. Sanitary Sewer
   ___ b. Electricity  ___ e. Storm Sewer
   ___ c. Gas     ___ f. Telephone

___ 16. Building Loan Agreement (Form HUD-92441) .................................................... O & 2
   a. Exhibit A Property Description
   b. Exhibit B Contractor's and/or Mortgagor's Cost Breakdown
      (Form HUD-92328)

___ 17. Construction Contract: .......................................................................................... O & 2
   a. Lump Sum (Form HUD-92442) or
   b. Cost Plus (Form HUD-92442-A) and
   c. Incentive Payment (Form HUD 92443)
   d. Identity of Interest Amendment (Chapter ___)
   e. Exhibit A Contractor’s and/or Mortgagor’s Cost Breakdown (Form HUD 92328)

___ 18. Contractor’s Certification of Labor Standards and Prevailing Wage Standards ... O & 2

___ 19. Assurance of Completion for On-Site Improvements: ........................................ O & 2
   a. Performance Bond-Dual Obligee (Form FHA-2452) and
   b. Payment Bond (Form HUD-92452-A)
   c. Facsimile from surety main office confirming power of attorney, or
   d. Completion Assurance Agreement (Form HUD-92450)

___ 20. Owner-Architect Agreement HUD Amendment (AIA Document B181) and .......... 3
___ 21. Certification of Architectural/Engineering Fees ........................................................ O & 2

___ 22. Mortgagor's and Architect's Certificate of Payment (Form HUD-92403-1) ................ O & 2

___ 23. Assurance of Completion of Off-Site Improvements, if Applicable: ......................... O & 2
   a. Escrow Agreement for Off-Site Facilities with Schedule "A", (Form FHA-2446)
   b. Off-Site Bond (Form FHA 2479), if required
   c. Building Permit, if required

___ 24. Assurance of Funds to meet Operating Deficit (Form FHA-2476 or HUD-92476A), if applicable ....................................................... O & 2

___ 25. Mortgagee's Certificate (Form FHA-2434) ................................................................. O & 2

___ 26. Mortgagor's Certificate (Form FHA-2433) ................................................................. O & 2

___ 27. Mortgagor's Oath (Form FHA-2478) ........................................................................ O & 2

___ 28. Equal Employment Opportunity Certification (FORM HUD 92010) ....................... O & 2

___ 29. Title VI Assurance of Compliance (Form HUD-4190) ................................................ O & 2

___ 30. Mortgagor’s Byrd Amendment Certificate ............................................................... O & 2

___ 31. Mortgagee’s Byrd Amendment Certificate ............................................................... O & 2

___ 32. Mortgagor’s Low Income Housing Tax Credit Program Certification .................... O & 2

___ 33. Mortgagor's Attorney's Opinion ............................................................................. O & 2
   a. Exhibit A - legal description
   b. Exhibit B - Mortgagor Certification
   c. Exhibit C - Good Standing Certificate

___ 34. Agreement and Certification (Form HUD-3305) ..................................................... O & 2
   Agreement and Certification Form HUD-3306 (if appropriate)

___ 35. Application for Insurance of Advance of Mortgage ............................................... O & 4
   a. Proceeds (Form HUD-92403) and Contractor’s
   b. Requisition (HUD-92448), if applicable
Appendix 12

Closings

___ 36. Permanent Lender’s Assurance of Permanent Financing (Chapter ___) ..................................... O & 2

___ 37. All Special Conditions of Firm Commitment (Form HUD-92432) ............................ O & 2

___ ( ) Previous Participation Certificate (Form FHA-2530)  
 ___ ( )  
 ___ ( )  
 ___ ( )  
 ___ ( )  
 ___ ( )  
 ___ ( )

___ 38. Inspection fee check, if applicable

___ 39. Mortgage Insurance Premium (MIP) check

___ 40. State and local requirements ........................................................................................................ O

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 221d4 FINAL

PROJECT NAME: ________________________________

FHA PROJECT NUMBER: __________________________

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___ 1. Attendance List .............................................................................................................................. 3

___ 2. Increased Note, if applicable ........................................................................................................ 3

___ 3. Increased Mortgage, if applicable .................................................................................................. 3

___ 4. a. Consolidation Agreement, or ...................................................................................................... 3
    b. New Note and New Mortgage for Total Amount, if applicable

___ 5. Modification Agreement, if applicable .......................................................................................... 3

___ 6. Mortgagor's Attorney's Opinion as to increase, if any .............................................................. O & 2

    a. Exhibit A - legal description
    b. Exhibit B - Mortgagor Certification
    c. Exhibit C - Good Standing Certificate
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**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**SECTION 232 INITIAL**

PROJECT NAME: ________________________________

FHA PROJECT NUMBER: __________________________

03/15/2002
The HUD closing attorney will obtain THREE copies of all closing documents unless otherwise noted below. These will be Originals (O) or Certified Copies (C) as indicated below.

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___ 1. Attendance List

___ 2. Commitment (form HUD-92432), Amendment or Assignment, if any ......................... 3

___ 3. Mortgagor’s Organizational Documents ................................................................. C & 2

___ a. Corporate Mortgagor
   (i) Articles of Incorporation
   (ii) Code of Regulations
   (iii) Certificate of Good Standing dated within 30 days of closing
   (iv) Incumbency Certificate
   (v) Resolution who can sign closing documents

___ b. Partnership Mortgagor
   (i) Partnership Agreement
   (ii) Certificate of Partnership
   (iii) Full Force & Effect Certificate dated within 30 days of closing
   (iv) Resolution who can sign closing documents

___ c. Limited Liability Company Mortgagor
   (i) Articles of Organization
   (ii) Operating Agreement
   (iii) Certificate of Continued Existence dated within 30 days of closing
   (iv) Resolution who can sign closing documents

___ 4. Mortgagor General Partner(s)’ Organizational Documents, if applicable .................... C & 2

___ 5. Lessee Operator’s Organizational Documents, if applicable ..................................... C & 2

___ 6. Certificate of Need ................................................................................................. 3

___ 7. Regulatory Agreement and Addendum (Mortgagor) .............................................. O & 2

___ 8. Mortgage Note ....................................................................................................... 3

___ 9. Mortgage Deed and Addendum .............................................................................. 3

___ 10. Security Agreement and Addendum ........................................................................ 3
     a. Financing Statement (UCC-1)
     b. Financing Statement (UCC-2)

___ 11. Lease to Operator, if applicable ............................................................................. 3
__ 12. Regulatory Agreement (Form HUD-92466-NHL) and Addendum (Operator/Lessee), if applicable ................................................................. O & 2

__ 13. 1992 ALTA Title Insurance Loan Policy ................................................................. 3
   a. ALTA Form 8.1 Environmental Endorsement
   b. ALTA Form 9 Comprehensive Endorsement
   c. Copies of all exception documents

__ 14. Survey Plat dated within 120 days of closing ................................................................. 3

__ 15. Surveyor's Report dated within 120 days of closing (HUD-2457) ............................. O & 2

__ 16. Evidence of Zoning Compliance ............................................................................ O & 2

__ 17. Building Permit(s) .................................................................................................. 3

__ 18. Notice of Commencement ..................................................................................... 3

__ 19. Assurance of Utility Services Letters dated within 30 days of closing .............. O & 2
   a. Water  
   b. Electricity  
   c. Gas  
   d. Sanitary Sewer  
   e. Storm Sewer  
   f. Telephone

__ 20. Building Loan Agreement (Form HUD-92441) .................................................... O & 2
   a. Exhibit A Property Description
   b. Exhibit B Contractor's and/or Mortgagor's Cost Breakdown (Form HUD-92328)

   a. Lump Sum (Form HUD-92442) or
   b. Cost Plus (Form HUD-92442-A) and
   c. Incentive Payment (Form HUD 92443)
   d. Identity of Interest Amendment
   e. Exhibit A Contractor’s and/or Mortgagor’s Cost Breakdown (Form HUD 92328)

__ 22. Contractor’s Certification of Labor Standards and Prevailing Wage Standards ... O & 2

__ 23. Assurance of Completion for On-Site Improvements: ........................................... O & 2
   a. Performance Bond-Dual Obligee (Form FHA-2452) and
   b. Payment Bond (Form HUD-92452-A)
   c. Facsimile from surety main office confirming power of attorney, or
   d. Completion Assurance Agreement (Form HUD-92450)


__ 25. Certification of Architectural/ Engineering Fees (Chapter ) .............................. O & 2

__ 26. Mortgagor's and Architect's Certificate of Payment (Form HUD-92403-1) ............. O & 2
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<td>c. Building Permit, if required</td>
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<td>c. Exhibit C - Good Standing Certificate</td>
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Insurance Closings

___ 45. Inspection fee check, if applicable ................................................................. O

___ 46. Mortgage Insurance Premium (MIP) check ...................................................... O

___ 47. Special state and local requirements............................................................... O

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 232 FINAL

PROJECT NAME: _______________________________

FHA PROJECT NUMBER: __________________________

The HUD closing attorney will obtain THREE copies of all closing documents unless otherwise noted below. These will be Originals (O) or Certified Copies (C) as indicated below.

Documents:
Copies:

___ 1. Attendance List

___ 2. Increased Note, if applicable ................................................................. 3

___ 3. Increased Mortgage, if applicable ............................................................. 3

___ 4. a. Consolidation Agreement, or................................................................. 3
   b. New Note and New Mortgage for Total Amount, if applicable

___ 5. Modification Agreement, if applicable......................................................... 3

___ 6. Mortgagor's Attorney's Opinion as to increase, if applicable ...................... O & 2
   a. Exhibit A - legal description
   b. Exhibit B - Mortgagor Certification
   c. Exhibit C - Good Standing Certificate

___ 7. Operating License......................................................................................... 3

___ 8. Title Insurance Policy Final Endorsement...................................................... 3

___ 9. As-Built Survey dated within 120 days of closing

___ 10. Surveyor's report (HUD-2457) dated within 120 days of closing ................ O & 2
Appendix 12

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<td>Certificate of Occupancy ................................................................. 3</td>
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<td>Mortgagee's letter indicating all payments are current, if applicable .......... O &amp; 2</td>
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<td>13.</td>
<td>Application for Insurance of Advance of Mortgage Proceeds (Form HUD-92403) .................................................. O &amp; 4</td>
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<td>14.</td>
<td>Contractor's Requisition with Contractor's Prevailing Wage Certificate (Form FHA-2448) .......................................................... O &amp; 2</td>
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<td>15.</td>
<td>Request for Final Endorsement of Credit Instrument if applicable (Form HUD-92023) ................................................................. O &amp; 2</td>
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<td>16.</td>
<td>Escrow Deposit Agreement (Form HUD-2456) .......................................................... O &amp; 2</td>
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<td>17.</td>
<td>All Special Conditions of Maximum Insurable mortgage (FORM HUD-92580) ........ O &amp; 2</td>
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18. Note Endorsement Panel ................................................................. 3

19. Mortgage Insurance Premium (MIP) check for mortgage increase only, if applicable ................................................................. O

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 223f

PROJECT NAME: ________________________________

FHA PROJECT NUMBER: ____________________________

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Documents:

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1. Attendance List ................................................................. 3

2. Commitment, Amendment or Assignment, if any ................................................................. 3

03/15/2002

Section A - Page 10 of 16
___ 3. Mortgagor’s Organizational Documents ........................................................................ C & 2
  ___ a. Corporate Mortgagor
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      (ii) Code of Regulations
      (iii) Certificate of Good Standing dated within 30 days of closing
      (iv) Incumbency Certificate
      (v) Resolution who can sign closing documents
  ___ b. Partnership Mortgagor
      (i) Partnership Agreement
      (ii) Certificate of Partnership
      (iii) Full Force & Effect Certificate dated within 30 days of closing
      (iv) Resolution who can sign closing documents
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      (i) Articles of Organization
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      (iii) Certificate of Continued Existence dated within 30 days of closing
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___ 4. Mortgagor General Partner(s)’ Organizational Documents, if applicable .................. C & 2

___ 5. Regulatory Agreement .......................................................................................... O & 2

___ 6. Mortgage Note .................................................................................................... 3

___ 7. Mortgage Deed .................................................................................................... 3

___ 8. Security Agreement ............................................................................................ 3
  a. Financing Statement (UCC-1)
  b. Financing Statement (UCC-2)
  c. Financing Statement (UCC-2)

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___ 12. Evidence of Zoning Compliance .......................................................................... O & 2

___ 13. Evidence of Compliance with local housing and building Codes ....................... 3

___ 14. Mortgagor's Oath (Form FHA-2478) ................................................................. O & 2

___ 15. Equal Employment Opportunity Certification (Form HUD-92010) ..................... O & 2

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<td>Permanent Lender’s Assurance of Permanent Financing</td>
<td>O &amp; 2</td>
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<tr>
<td>25</td>
<td>Escrow Agreement for Non-Critical Repairs (Form HUD-92476.1), if applicable</td>
<td>O &amp; 2</td>
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<tr>
<td>26</td>
<td>All Special Conditions of Firm Commitment Form HUD-92432)</td>
<td>O &amp; 2</td>
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<td></td>
<td>( ) Previous Participation Certificate (Form FHA-2530)</td>
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<td>( ) Short Form Cost Certification (Form FHA-2205)</td>
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<td>( ) Certified Closing Statement</td>
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<td></td>
<td>( ) Certification Regarding Tenants’ Security Deposits</td>
<td></td>
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<tr>
<td>27</td>
<td>Inspection fee check, if applicable</td>
<td>O</td>
</tr>
<tr>
<td>28</td>
<td>Mortgage Insurance Premium (MIP) check</td>
<td>O</td>
</tr>
<tr>
<td>29</td>
<td>Secondary financing and UCC1</td>
<td>3</td>
</tr>
<tr>
<td>30</td>
<td>Patent Defects Guarantee</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>State and/or Local Requirements</td>
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</tbody>
</table>

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**SECTION 232/223 f**

PROJECT NAME: ________________________________

03/15/2002
FHA PROJECT NUMBER: ______________________

The HUD closing attorney will obtain THREE copies of all closing documents unless otherwise noted below. These will be Originals (O) or Certified Copies (C) as indicated below.

Documents:
Copies:

___ 1. Attendance List

___ 2. Commitment, Amendment or Assignment, if any ................................................................. 3

___ 3. Mortgagor’s Organizational Documents ........................................................................... C & 2

___ a. Corporate Mortgagor
   (i) Articles of Incorporation
   (ii) Code of Regulations
   (iii) Certificate of Good Standing dated within 30 days of closing

___ b. Partnership Mortgagor
   (i) Partnership Agreement
   (ii) Certificate of Partnership
   (iii) Full Force & Effect Certificate dated within 30 days of closing
   (iv) Resolution who can sign all closing documents

___ c. Limited Liability Company Mortgagor
   (i) Articles of Organization
   (ii) Operating Agreement
   (iii) Certificate of Continued Existence dated within 30 days of closing
   (iv) Resolution who can sign closing documents

___ 4. Mortgagor General Partner(s)’ Organizational Documents, if applicable ....................... C & 2

___ 5. Lessee Operator’s Organizational Documents, if applicable ............................................ 3

___ 6. Regulatory Agreement and Addendum (Mortgagor) ....................................................... O & 2

___ 7. Regulatory Agreement and Addendum (Operator/Lessee), if applicable ................. O & 2

___ 8. Mortgage Note .................................................................................................................... 3

___ 9. Mortgage Deed and Addendum ...................................................................................... 3

___ 10. Security Agreement and Addendum .................................................................................. 3
    a. Financing Statement (UCC-1) and Addendum
    b. Financing Statement (UCC-2) and Addendum
    c. Financing Statement (UCC-2) and Addendum

___ 11. Lease to Operator, if applicable ..................................................................................... 3
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Nursing Home License</td>
<td>3</td>
</tr>
<tr>
<td>13</td>
<td>1992 ALTA Title Insurance Loan Policy</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>Survey Plat dated within 120 days of closing</td>
<td>3</td>
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<tr>
<td>15</td>
<td>Surveyor's Report dated within 120 days of closing (HUD-2457)</td>
<td>O &amp; 2</td>
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<td>16</td>
<td>Evidence of Zoning Compliance</td>
<td>O &amp; 2</td>
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<tr>
<td>17</td>
<td>Evidence of Compliance with local housing and building Codes</td>
<td>3</td>
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<tr>
<td>18</td>
<td>Mortgagor's Oath (Form FHA-2478)</td>
<td>O &amp; 2</td>
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<tr>
<td>19</td>
<td>Equal Employment Opportunity Certification (Form HUD-92010)</td>
<td>O &amp; 2</td>
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<tr>
<td>20</td>
<td>Title VI Assurance of Compliance (Form HUD-41901)</td>
<td>O &amp; 2</td>
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<tr>
<td>21</td>
<td>Mortgagor’s Byrd Amendment Certificate</td>
<td>O &amp; 2</td>
</tr>
<tr>
<td>22</td>
<td>Mortgagee’s Byrd Amendment Certificate</td>
<td>O &amp; 2</td>
</tr>
<tr>
<td>23</td>
<td>Operator/Lessee’s Byrd Amendment Certificate, if applicable</td>
<td>O &amp; 2</td>
</tr>
<tr>
<td>24</td>
<td>Mortgagor’s Low Income Housing Tax Credit Program Certification</td>
<td>O &amp; 2</td>
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<tr>
<td>25</td>
<td>Mortgagor's Attorney's Opinion</td>
<td>O &amp; 2</td>
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<tr>
<td></td>
<td>a. Exhibit A - legal description</td>
<td></td>
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<td></td>
<td>b. Exhibit B - Mortgagor Certification</td>
<td></td>
</tr>
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<td></td>
<td>c. Exhibit C - Good Standing Certificate</td>
<td></td>
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<tr>
<td>26</td>
<td>Agreement and Certification (Form HUD-3305)</td>
<td>O &amp; 2</td>
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<td>27</td>
<td>Mortgagee’s Current Payment Letter</td>
<td>O &amp; 2</td>
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<tr>
<td>28</td>
<td>Mortgagor's Sinking Fund, if applicable</td>
<td>O &amp; 2</td>
</tr>
<tr>
<td>29</td>
<td>Request for Endorsement of Credit Instrument, Certificate of Mortgagee, Mortgagor (Form FHA-2455)</td>
<td>O &amp; 2</td>
</tr>
<tr>
<td>30</td>
<td>Lender letter regarding permanent financing</td>
<td>O &amp; 2</td>
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<td>All Special Conditions of Firm Commitment (Form HUD-92432)</td>
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<td>( ) Certification Regarding Tenants’ Security Deposits</td>
<td></td>
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</tbody>
</table>
___ 32. Inspection fee check, if applicable ................................................................................ O

___ 33. Mortgage Insurance Premium (MIP) check .................................................................. O

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TAX-EXEMPT BONDS AND/OR LIHTC SUPPLEMENTAL INITIAL

PROJECT NAME: ____________________________

FHA PROJECT NUMBER: ______________________

The HUD closing attorney will obtain THREE copies of all closing documents unless otherwise noted below. These will be Originals (O) or Certified Copies (C) as indicated below.

Documents:

Copies:

TAX-EXEMPT BONDS
SUPPLEMENTAL INITIAL CLOSING REQUIREMENTS

___ 1. Mortgagor’s Attorney’s Opinion .................................................................................... 3

___ 2. Mortgagee’s Attorney’s Opinion .................................................................................... 3

___ 3. Bond Counsel Opinion ................................................................................................... 3

___ 4. Land Use Restriction or Tax Regulatory Agreement

LOW-INCOME HOUSING TAX CREDITS
SUPPLEMENTAL INITIAL CLOSING REQUIREMENTS

___ 1. Mortgagor’s Attorney’s Opinion .................................................................................... 3

___ 2. Special Deed Covenant ................................................................................................... 3
A. The Owner-Architect Agreement must be on AIA Document B181 Standard Form Of Agreement Between Owner and Architect for Housing Services.

B. Architect is any architect, engineer or designer that:

1. Is registered to provide the proposed project services in the State in which the project is located.

2. Serves as a prime architect, i.e., provides directly to the Owner any or all of the basic architectural services.

C. Multiple Prime Architects exist when the owner contracts directly with two or more architects to provide the basic architectural services.

1. Require separate Owner-Architect Agreements for each prime architect. Each must clearly define the specific services covered and fees.

   a. Modify the standard services, where applicable, in Article 10, or at the applicable Article.

   b. Basic fees must be a lump sum, i.e., fixed price.

2. Separate design and supervisory architects are acceptable. Where a separate architect is employed for construction phase services, the Owner-Architect Agreement for the supervisory architect must be submitted 15 days before initial closing. A separate Owner-Architect Agreements for the supervisory and design architect(s) must be shown in the construction contract for the respective services.

D. Supervisory Architect may not have an identity of interest, as defined in Appendix ____ with the mortgagor or contractor. The HUD addendum to the Owner-Architect Agreement, Appendix ____, must be included as a contract rider and no identities of interest may be listed.

E. Owner Furnished Services for land surveys, geotechnical reports, lead-based paint hazard testing, and similar specialty engineering and laboratory services that are not basic architectural services need not be contracted through use of AIA Document B181.

F. Fee Claims.

1. The mortgagor must certify that there are no unpaid fees or claims for architectural, engineering, testing, or related services performed for the project by other than those identified on the certification and in the amount shown.
2. Article 9.6 of the 1994 version of the Owner-Architect Agreement supersedes any agreement or arrangement between the mortgagor and architect(s) of record predating contract execution, and must not be voided.

G. Fee Payment must be made as follows:

1. Design and design related services must be paid before or at initial closing. If the fee for such services is in dispute at the time of initial closing, the mortgagor may post a cash escrow with the mortgagee in the full amount of any disputed claim or in such lesser amount acceptable to the Field Office Manager. The full amount to be set aside in the cash escrow will equal the lessor of (1) the amount claimed by the design architect or (2) the amount set out in the commitment for architectural services.

2. Supervisory services payment must be based upon the monthly work progress, and may not exceed a rate equal to the percentage of project completion.

3. The Owner-Architect Agreement must separately identify the fee for design and supervisory services, where both are provided by the same entity.

H. Mortgagor's and Architect's Certificate, Form HUD-92403-1, must be executed at or before initial endorsement for each prime design professional. Draws in the Application for Insurance of Advance of Mortgage Proceeds, Form HUD-92403, exceeding the amount certified on Form HUD-92403-1 will not be approved.

I. If anything other than “non applicable” is inserted into sections 11.3, 11.5.1, or 11.5.2 of the owner-architect agreement, language must be added that the architect agrees that neither mortgage proceeds nor project funds (other than surplus cash) can be a source of payment and that the architect will not assert a lien against the project for non-payment.
Amendment to AIA Document B181, Standard Form of Agreement Between Owner and Architect for Housing Services

The provisions of this Amendment supersede and void all inconsistent provisions between the Amendment and the Agreement.

1. Definition of terms used in this Amendment.
   b. HUD. The U. S. Department of Housing and Urban Development.
   c. Owner. The Mortgagor/Owner.
   d. Subcontractor. Any Project subcontractor, materials supplier, equipment lessor or industrialized housing manufacturer/supplier.

2. The Owner and the Architect represent that they are familiar with HUD requirements, including the Minimum Property Standards, Fair Housing Accessibility Guidelines, Uniform Federal Accessibility Standards, and architectural requirements of this Guide (See Chapter ______), as set forth in publications given to them by HUD for this Project and will perform all services in accordance with the applicable requirements of HUD.

3. No portion of the Architect's services and responsibilities or the Owner's responsibilities shall be assigned, transferred or delegated to anyone not acceptable to HUD.

4. The Architect shall advise HUD as well as the owner of any omissions, substitutions, defects, and deficiencies observed in the work of the Contractor.

5. The Architect shall issue Certificates of Payment and Certificates of Substantial Completion in the form prescribed by HUD.

6. The Architect shall furnish copies of all Architect's Supplemental Instructions to the owner, Mortgagee and HUD.

7. If the project for which the drawings and specifications prepared by the Architect has not been completed and there is a default or foreclosure, the Mortgagee or HUD may use the drawings and specifications to complete construction of the project without additional cost.

8. The Agreement shall not be terminated without 5 days prior written notice to the Mortgagee and HUD.
9. The Owner and the Architect recognize the interest of the Mortgagee and HUD and that any action or determination by either the Owner or the Architect is subject to acceptance or rejection by the Mortgagee and by HUD.

10. The Owner and the Architect shall recognize as a valid reason for termination, any request by HUD for termination because of inadequate performance, undue delay or misrepresentation which may make the further services of the Architect unacceptable to HUD.

11. The Architect administering the Construction Contract may not have an identity of interest with the Owner, Contractor, and/or any Project subcontractor. An identity of interest is construed to exist where:

   a. The Architect has any financial interest in the Project other than the fee for professional service.

   b. The Architect advances any funds to the Owner, Contractor and/or any subcontractor; and/or the Contractor and/or any subcontractor advance any funds to the Architect.

   c. The Architect has any financial interest in the Owner, Contractor and/or any subcontractor; or the Owner, Contractor and/or any subcontractor has any financial interest in the Architect.

   d. Any officer, director, stockholder or partner of the Architect has any financial interest in the owner, Contractor and/or any subcontractor; or any officer, director, stockholder or partner of the Owner, Contractor and/or any subcontractor has any financial interest in the Architect.

   e. Any officer, director, stockholder or partner of the Architect is also an officer, director, stockholder or partner of the Owner, Contractor, and/or any subcontractor; or any officer, director, stockholder or partner of the Owner, Contractor and/or subcontractor is also an officer, director, stockholder, or partner of the Architect.

   f. The Owner, Contractor and/or any subcontractor, or any officer, director, stockholder or partner of such Owner, Contractor and/or subcontractor provides any of the required architectural services; or where the Owner, Contractor and/or any subcontractor, or any officer, director, stockholder or partner of such Owner, Contractor and/or subcontractor, while not directly providing an architectural service, acts as a consultant to the Architect.

   g. Any family relationships between the officers, directors, stockholders, or partners of the Architect and officers, directors, stockholders or partners of the Owner, Contractor, and/or any subcontractor; or between the officers, directors, stockholders or partners of the Owner, Contractor, and/or any subcontractor and officers, directors, stockholders, or partners of the Architect that could cause or result in control or influence over prices paid to the Architect and/or performance by the Architect.
h. Any side deal, agreement, contract or undertaking, thereby altering, amending, or canceling any of the required closing documents, except as approved by HUD.

12. All identities of interest known to exist between the Architect and the Owner, Contractor and/or any subcontractor are listed herein. The Architect and owner shall each inform HUD in writing within 5 working days of its knowledge of any identity of interest that develops after execution of this Agreement.

List All Identities of Interest:

____________________________________________________________
____________________________________________________________
____________________________________________________________
____________________________________________________________
____________________________________________________________
____________________________________________________________
____________________________________________________________

____________________    ____________________
OWNER      ARCHITECT

_________________________   ______________________________
_________________________    ______________________________

DATE ____________________   DATE ________________________

WARNING: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any matter in the jurisdiction of any department or agency of the United States, shall be fined not more than $10,000 or imprisoned for not more than 5 years or both.
Certification of Architectural/Engineering Fees

TO: Assistant Secretary-Federal Housing Commissioner
C/O _____________________________________

Dear

The undersigned hereby certifies that all architectural, engineering, drafting, land surveyor, testing, laboratory and related services fees and fee balances for the analysis of the property, preparation of reports, and for the project design and preparation of plans and specifications have been fully paid, except as listed below. The undersigned further certifies that there are no other disputed or undisputed claims for such services.

FIRM ______________________________________________________
SERVICE_____________________________________________________
FEE __________________________
BALANCE ______________________

FIRM ______________________________________________________
SERVICE_____________________________________________________
FEE __________________________
BALANCE ______________________

FIRM ______________________________________________________
SERVICE_____________________________________________________
FEE __________________________
BALANCE ______________________

FIRM ______________________________________________________
SERVICE_____________________________________________________
FEE __________________________
BALANCE ______________________

Date _________________  ______________________________________

MORTGAGOR

Attested By: _________________________ ________________________________
Title

WARNING: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any matter in the jurisdiction of any department or agency of the United States, shall be fined not more than $10,000 or imprisoned for not more than 5 years or both.
Specimen – Third Party Obligee Certification

(Hub Director)

_______________________________________
_______________________________________
_______________________________________

Dear:

The undersigned hereby certifies that under an agreement dated __________________________ between the undersigned and _______________________________________ a discount or other financing charge of $ ________________________ in addition to the initial service charge will be paid by _______________________________________________. The undersigned does not now have and will not later assert, any claim against the mortgagor, mortgaged property, mortgage proceeds, any reserve or deposit made with the undersigned or another required by HUD in connection with the mortgage transaction, or against the rents or other income from the mortgaged property for payment of any part of such discount.

Date ____________________ ________________________

Mortgagee

Attest_____________________ By________________________

__________________________
Title

The undersigned does not now have and will not later assert, any claim against the mortgagor, mortgaged property, mortgage proceeds, any reserve or deposit made with the undersigned or another required by HUD in connection with the mortgage transaction, or against the rents or other income from the mortgaged property for payment of any part of such discount.

Signed ____________________________

Attest _____________ Date ______________________________

03/15/2002                                                                                                                       Section D - Page 1 of 1
Initial Endorsement Document Review – Architectural and Cost

PROJECT NAME: ______________________________________________________
PROJECT NUMBER: ____________________________________________________

Answer each question. Check "N/A" only where the document/question is not applicable to the project.

PART I, ARCHITECTURAL ANALYST REVIEW

1. Request for Permission to commence Construction Prior to Initial Endorsement for Mortgage Insurance, Form FHA-2415, was executed.

   Yes ☐ No ☐ N/A ☐

   If yes

   a. Construction started and has been continuous.

      Yes ☐ No ☐ N/A ☐

      If yes, construction started ________________

      If no, comment: _________________________________

      ____________________________________________

   b. Additive or deductive change orders are in process or known to be proposed.

      Yes ☐ No ☐ N/A ☐

      If yes, comment: ________________________________

      ____________________________________________

   c. No known problems, e.g.: nonpayment for work or material; liens; latent conditions; errors in the survey, drawings or specifications; wet site, strike, materials shortage, or other conditions delaying continued work; municipal stop order, other sanctions or requirements for additional work; contractor or subcontractor disputes, etc.

      Yes ☐ No ☐ N/A ☐

      If yes, comment: ________________________________

      ____________________________________________

   d. Comments:_________________________________________

      ____________________________________________

      ____________________________________________

      ____________________________________________

2. Building Permits are for the proposed improvements, acceptable, unconditional, and current.

   Yes ☐ No ☐ N/A ☐

   If no, comment: _________________________________

   ____________________________________________
3. Jurisdictional authority has given its stamp or permit, where applicable, for:
   storm water disposal, private water supply and sewage treatment/disposal
   facilities.
   If no, comment: _________________________________
                    _________________________________

4. Assurance of Utilities
   a. Water service letter is unconditional and reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________
   b. Sanitary sewer service letter is unconditional and is reasonable in its
      currency.
      If no, comment: _________________________________
                      _________________________________
   c. Electric service letter is unconditional and is reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________
   d. Gas service letter is unconditional and is reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________
   e. District heat letter is unconditional and is reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________
   f. Telephone service letter is unconditional and is reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________
   g. Cable TV letter is unconditional and is reasonable in its currency.
      If no, comment: _________________________________
                      _________________________________

5. Survey, Surveyor's Certificate and Title Policy.
   a. The title policy/endorsement matches the legal description on the survey.
      If no, comment: _________________________________
                      _________________________________
   b. Easements, encroachments and other title policy/endorsement Schedule
      B identified exceptions are consistent with and between the plat for
      recordation/survey, surveyor's certificate, site plan and other drawings.
      Yes No N/A
c. Easements across other sites for project driveways, drainage outfalls, etc., are acceptably reflected in plats for recordation, and covered by maintenance agreements where used jointly with others.

If yes, identify: _________________________________

If no, comment:  _________________________________

If no, comment:  _________________________________

d. The Surveyor's Certificate is dated and is acceptable.

If no, comment:  _________________________________

If yes, identify: _________________________________

e. The last Survey revision date is ___________ and the survey is acceptable.

If no, comment:  _________________________________

f. Air rights map applies.

If yes:

1) It provides vertical ways to grade for vertical transportation, emergency exits, utilities, trash chutes, etc.

If no, comment:  _________________________________

2) It provides necessary easements for exterior and interior ingress and egress, emergency exit discharge, services, maintenance, etc.

If no, comment:  _________________________________

3) Maintenance agreements cover all facilities jointly used with others.

If yes, identify: _________________________________

If no, comment:  _________________________________


a. The drawings and specifications, including drawing dates and revision dates, conform with those accepted for firm commitment.

If no:

1) Revisions are minor, dictated by issues arising after firm, and don't affect construction costs or project value.

   Yes   No   N/A
If no, comment: _________________________________
_________________________________

2) Revised sheets and pages have been inserted in the drawings and specifications and are acceptable.  
If no, comment: _________________________________
_________________________________

3) Addenda and attachments required for changes from the firm commitment drawings and specifications are included in the project manual.  
If yes, they are numbered _____________________ and dated _________________________________  
If no, comment: _________________________________
_________________________________

4) Reprocessing is required, due to changes from the drawings and specifications upon which the commitment was issued.  
If yes, comment: _________________________________
_________________________________

5) Comments: _______________________________________
_______________________________________
_______________________________________
_______________________________________

b. The Master Set and Sets 2 and 3 are signed and initialed per Handbook 4460.1 REV-1.  
If no, comment: _________________________________
_________________________________

c. The correct wage decision is incorporated in the project manual.  
If no, the following are required: __________________________  
________________________

7. Construction Contract  
a. Drawing sheets, specification pages, and if applicable, addenda numbers and pages, are properly identified.  
If no, the corrected list/index is attached.

b. The design architect(s) and supervisory architect are correctly listed.  
If no, comment: _______________________________________
_________________________________

Yes No N/A
c. The amendment to the construction contract for Identities of Interest Between the Contractor, Owner and Architect is attached.
   If no, comment: _________________________________
   _________________________________

d. The amendment to the construction contract for Payment for Components Stored Offsite, if applicable, is attached.
   If no, comment: _________________________________
   _________________________________

8. Offsite work is involved.
   If yes:
   a. The municipal jurisdiction's installation assurance letter is unconditional and reasonable in its currency.
      If no, comment: _________________________________
      _________________________________
      If N/A, completion assurance is required for the following:
      _________________________________
      _________________________________
   b. Construction contract(s) is/are acceptable.
      If yes, identify the contract(s) and work:
      _________________________________
      _________________________________
      _________________________________
      If no, comment: _________________________________
      _________________________________
   c. Drawings and specifications are:
      1) Included in the construction documents for on-site work and are acceptably segregated by contract limit lines and divisions of the specifications.
         If no, comment: _________________________________
         _________________________________
      2) Included in separate drawings and specifications from on-site work.
         If yes, identify: _________________________________
         _________________________________
         _________________________________
      3) Comment: ___________________________________
         _________________________________
         _________________________________

9. Owner/Architect Agreement(s)
   a. The prime architect(s) is/are:
DESIGN __________________________________________  
__________________________________________________  
__________________________________________________  
SUP ______________________________________________  
__________________________________________________  
__________________________________________________  

b. There is an agreement, B-181, for each prime architect.  
   If no, comment: ________________________________________  
   ________________________________________________________  

c. The HUD amendment to the B-181 is referenced in Article 10 of, and  
   attached to each Owner/Architect Agreement.  
   If no, comment: ________________________________________  
   ________________________________________________________  

d. Each B-181 identifies the specific services to be performed by the  
   applicable prime architect.  
   If no, comment: ________________________________________  
   ________________________________________________________  

e. Article 10 is acceptable for each B-181, and all referenced appendices,  
   addenda, etc., are attached.  
   If no, comment: ________________________________________  
   ________________________________________________________  

f. Addendum to Owner-Arch Agreement and/or Construction Contract  
   show(s) an identity of interest for Supervisory Arch.  
   If yes, comment: ________________________________________  
   ________________________________________________________  

g. Comment: ____________________________________________  
   ________________________________________________________  

10. Special Conditions of the Commitment, numbered ____________, are  
    considered in this review. Required documents have been submitted and  
    found acceptable for them all.  
    a. Special Conditions numbered __________ have not been satisfied.  
       Comment: ____________________________________________  
       ________________________________________________________  

Yes  No  N/A
b. The following documents must be submitted:

_______________________________________________
_______________________________________________

11. The list(s) of major movable equipment is/are acceptable, where applicable to Sect 221d SRO, 2311 232, and 242 projects.

If no, comment: _____________________________________________
___________________________________________________________

12. Comment: ________________________________________________
___________________________________________________________

PART II, COST ANALYST REVIEW

13. Two copies of the property insurance requirements are attached and acceptable.

If no, comment: _____________________________________________

   a. The amounts shown on the Agreement and Certification are correct.

If no, the following are the correct amounts:

___________________________________________________________
___________________________________________________________

   b. The contract, including dollar amounts for general overhead and profit has been approved for each identity of interest subcontractor listed in the Certification and Agreement and the Amendment to the Construction Contract.

If no, comment: _____________________________________________

15. Construction Contract.
   a. A signed approved cost breakdown, Form HUD-2328, is attached as Exhibit A to the Construction Contract.

If no, comment: _____________________________________________

   b. The Inventory and Cost Breakdown for Stored Components, if applicable, is acceptable and attached to Form HUD-2328, Exhibit A to the Construction Contract.

If no, comment: _____________________________________________

   c. The construction contract price is correct.

Yes No N/A
If no, the correct amount is _____________

d. The contract completion date is correct, and if an early start, reflects
   Form FHA-2415 modification requirements.
   If no, the completion date should be _____________

e. The contract addendum lists identities of interest indicating the need for
   pre-approval of subcontractor contracts for general overhead and profit.
   If yes, comment: _________________________________

16. Progress Schedule agrees with the Contract time and is acceptable.
   If no, comment: _________________________________

17. Assurance of completion for offsite work not done by municipality is
    required.
   If yes, for the following contracts and costs.
   ____________________________  $__________
   ____________________________  $__________
   ____________________________  $__________

18. The Mortgagor's and Architect's Certificate(s) is/are consistent with the B-
    181(s) for prime architects, and Other A&E Fees are reasonable.
   If no, comment: _________________________________

19. Special Conditions of the Commitment numbered_________________, are
    considered in this review. Required documents have been submitted and
    found acceptable for them all.
   If no:
   a. Special Conditions numbered ________________ have not been
      satisfied.
      Comment: _________________________________
   b. The following documents must be submitted;

20. Major Movable Equipment is involved (applicable only to 221d SRO,
    231, 232 & 242 projects)
   If yes:
   a. The instrument evidencing acquisition of equipment is acceptable.

   If no, comment: _________________________________
b. Listed chattel and values are acceptable for the Financial Statement and Security Agreement (UCC)

If no, comment: _________________________________

_________________________________

c. Listed chattel and values are acceptable for the Chattel Mortgage.

If no, comment: _________________________________

_________________________________

21. Comments:

_________________________________________________________

_________________________________________________________

_________________________________________________________

_________________________________________________________

ARCHITECTURAL ANALYST DATE

_______________________________ _______________

COST ANALYST DATE

_______________________________ _______________

CHIEF ARCHITECTURE AND COST DATE

_______________________________ _______________
# Initial Endorsement Document Review – Mortgage Credit

**PROJECT NAME:** _______________________________________________

**PROJECT NUMBER:** ____________________________________________

**Answer each question. Check "N/A" only where the document/question is not applicable to the project.**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Request for Permission to Commence construction prior to Initial Endorsement for Mortgage Insurance, Form FHA-2415, was executed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Release of liens by the contractor and subcontractors are acceptable.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. The commitment date for the start of principal payment has been modified to reflect the early start of construction.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Provisions have been made to escrow funds for additive change orders approved during the early start of construction but not yet completed and/or paid.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Mortgagor/Contractor Agreement to recognize interest costs relating to early start submitted.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The request for an initial advance is acceptable and funds requested under the construction contract, including any for work under an early start, are supported by a Contractor's Requisition, Form HUD-92448.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. 2530 Clearances.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. The mortgagor entity has been cleared pursuant to Form FHA-2530 procedures.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If no, comment and steps taken:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b. Individuals or entities shown in the corporate charter, partnership agreement or incumbency certificate have been cleared pursuant to Form FHA-2530 procedures.  
If no:  
The following need clearance:  
__________________________________________________________________________  
__________________________________________________________________________  
Actions taken:  
__________________________________________________________________________  
__________________________________________________________________________  

If no:

The following need clearance:  
__________________________________________________________________________  
__________________________________________________________________________  

4. Partnership Agreement:  
   a. Credit check, financial review and 2530 clearance are acceptable for each principal partner.  
   
   Yes  No  N/A
b. Rights and duties of each partner are acceptable.
   If no, comment: ________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________

   __ __ __

c. Capital investment made/maintained for each partner is acceptable.
   If no, comment: ________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________

d. Partnership term equals or exceeds mortgage term.
   If no, partnership term must be: ____________
   __ __ __

e. Mortgagor is a single asset mortgagor.
   If no, comment: ________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   __ __ __

f. Partnership Agreement is consistent with the Regulatory Agreement.
   If no, comment: ________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   __ __ __

g. The partnership agreement improperly provides for the mortgagor to
   indemnify partners and officers against lawsuits.
   If yes, comment: ________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   __ __ __

h. Comments:
   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________

5. Corporate Mortgagor.
   a. Credit check, financial review and 2530 clearance are acceptable for
      each principal investor.
      If no, comment: ________________________________
      ____________________________________________
      ____________________________________________
      ____________________________________________
      __ __ __

   b. Mortgagor is a single asset mortgagor.
      If no, comment: ________________________________
      ____________________________________________
      ____________________________________________
      ____________________________________________
      __ __ __

   c. The articles of incorporation and bylaws are consistent with the
      Regulatory Agreement and other documents.
      If no, comment: ________________________________
      ____________________________________________
      ____________________________________________
      ____________________________________________
      Yes No N/A
Appendix 12

Insurance Closings

d. The articles of incorporation and/or by-laws improperly provide for the mortgagor to indemnify board members against suits.

If yes, comment: ________________________________

6. The Agreement and certification is acceptable.

If no, comment: ________________________________

7. The amount shown in the Regulatory Agreement for the Reserve Fund for Replacements is correct.

If no, the correct amount is ________________________


a. The time for construction is correct.

If no, comment: ________________________________

b. The amount shown for liquidated damages is correct.

If no, the correct amount is ________________________

c. The contract price agrees with the 2328.

If no, the correct amount is ________________________

d. The cash upset amount is correct.

If no, the correct amount is ________________________

e. The Construction Contract Incentive Payment in Article 3 is acceptable in language, amount and computation.

If no, comment: ________________________________

f. The Note amount is approved, if payment is by other than cash.

If no, the correct amount is ________________________

g. Assurance of completion amount shown in Article 6 is correct.

If no, the correct amount is ________________________

h. The Cost Breakdown (Form HUD-2328) has been confirmed correct by Arch/Cost.

If no, comment: ________________________________

i. The filing period for monthly advances is acceptable.

If no, comment: ________________________________
j. The Amendment to the construction contract for identities of interest is attached and acceptable.
   If no, comment: ________________________________________________
   ________________________________________________________________

9. Advances for Components Stored Offsite are involved.
   If yes:
   a. Corporate surety bonds are 100 percent each for performance and payment and are acceptable.
      If no, comment: ________________________________________________
      ________________________________________________________________
   b. The Inventory and Cost Breakdown for Stored Components is attached to Form HUD-2328, Exhibit A to the Construction contract.
      If no, comment: ________________________________________________
      ________________________________________________________________
   c. The construction contract includes the addendum for offsite storage.
      If no, comment: ________________________________________________
      ________________________________________________________________

10. Assurance of Completion for on-site work.
    a. The performance and payment bond(s) are for 100 percent each.
       If no, comment: ________________________________________________
       ________________________________________________________________
    b. The bonding company, __________________________________________
       ________________________________________________________________,
       is acceptable to write a policy in the stated amount.
       If no, maximum policy amount is ______________
    c. Completion Assurance Agreement is correct.
       If no, the correct amount is ______________
    d. Personal Undertaking, Form FHA-2459, is acceptable and in the correct amount.
       If no, comment: ________________________________________________
       ________________________________________________________________
    e. Comment: ______________________________________________________
       ________________________________________________________________
       ________________________________________________________________
       ________________________________________________________________

11. The Assurance of Completion for offsite work is acceptable.
    Yes No N/A
Appendix 12

12. Owner-Architect Agreement fees and FormHUD-92403-1 agree for each design architect.
   If no, comment: __________________________________________
   ________________________________________________________

   If no, comment: __________________________________________
   ________________________________________________________

14. Mortgage Note or Rider.
   a. The interest rate is the same as shown on the commitment.
      If no, the correct rate is ___________________
   b. The Mortgage amount is correct.
      If no, the correct amount is _________________
   c. The P&I is correct.
      If no, the correct amount is _________________
   d. The Commencement of Amortization date is correct.
      If no, the correct date is ___________________
   e. The ending date for amortization is correct.
      If no, the correct date is ___________________
   f. The Special Provisions are consistent with other reviewed documents and financing criteria.
      If no, comment: __________________________________________
      ________________________________________________________
   g. Comments:
      ________________________________________________________
      ________________________________________________________

15. Mortgage or Mortgage Modification Agreement.
   a. The interest rate is the same as shown on the commitment.
      If no, the correct rate is ___________________
   b. The Mortgage amount is correct.
      If no, the correct amount is _________________
      Yes  No  N/A
   c. The P&I is correct.
If no, the correct amount is _________________

d. The Commencement of Amortization date is correct.  
   If no, the correct date is ___________________

e. The ending date for amortization is correct.  
   If no, the correct date is ___________________

f. The Special Provisions are consistent with other reviewed documents 
   and program financing criteria.  
   If no, comment:

g. Comments:
   ____________________________________________
   ____________________________________________
   ____________________________________________

16. Title Policy or Endorsement.

   a. Policy amount is _____________________________ which equals or 
      exceeds the mortgage.  
      If no, comment: _______________________________________
      _______________________________________

   b. The title company, ___________________________ is acceptable for a 
      policy in that amount.  
      If no, comment: _______________________________________
      _______________________________________

17. The Building Loan Agreement is acceptable.  
   If no, the following changes are required:
   ____________________________________________
   _______________________________________

18. The Mortgagee's Certificate is acceptable as to fees, discounts, notes, and 
   other terms, and agrees with firm commitment processing.  
   If no, the following changes are required:
   ____________________________________________
   _______________________________________

19. The Sponsor's Certification, Form FHA-3437, for 231 NP or 232 NP 
   proposals is acceptable  
   If no, comment: ________________________________
   ____________________________________________

20. The Guaranty Agreement, for 12-Month Debt Service Escrow for B&C 
   Independent Living Units is acceptable.
   ____________________________________________
21. The Financial Requirements For Closing, Form FHA 2283, is attached.

If no, comment: ________________________________
_________________________________________________________________________________

22. Special Conditions of the Commitment numbered__________________ are considered in this review. Required documents have been submitted and found acceptable for them all.

If no:
   a. Special Conditions numbered _______________have not been satisfied.
   b. The following documents must be submitted:
      __________________________________________________________________________
      __________________________________________________________________________
   c. The following actions have been taken:
      __________________________________________________________________________
      __________________________________________________________________________

23. Mortgagor's Sinking Fund Agreement for Section 232 projects, where medicaid reimbursement based on depreciation plus interest is acceptable.

If no, comment: ________________________________
_________________________________________________________________________________

24. Major/Minor Movable Equipment is involved (applicable only to Section 221d SRO, 231, 232 and 242 projects).

If yes:
   a. Provisions for mortgagor to finance major and minor movable equipment are acceptable.
      If no, comment: ________________________________
      __________________________________________________________________________
   b. The instrument evidencing acquisition of major equipment is acceptable.
      If no, comment: ________________________________
      __________________________________________________________________________
   c. The Financial Statement and Security Agreement (UCC) are acceptable.
      If no, comment: ________________________________
      __________________________________________________________________________
      Yes  No  N/A
   d. The Chattel Mortgage is acceptable.
      If no, comment: ________________________________
      __________________________________________________________________________
25. Evidence that the mortgagor is able to finance its required minimum financial investment is acceptable.

If no, comment: ______________________________

________________________________________________________________________

________________________________________________________________________

Mortgage Credit Examiner

_________________________

Date

Note: The Hub Director is responsible for securing corrected initial draw documents directly from the mortgagee.
Initial Endorsement Document Review – Valuation

PROJECT NAME: _______________________________________________________

PROJECT NUMBER: ____________________________________________________

Answer each question. Check "N/A" only where the document/question is not applicable to the project.

1. Environmental assessment has been approved, copy attached, and all exceptions cleared.
   Yes [ ] No [ ] N/A [ ]
   If no, comment: ________________________________

2. Survey and Surveyor's Certificate.
   a. The property surveyed is the same as that which was appraised.
      Yes [ ] No [ ] N/A [ ]
      If no, comment: ________________________________

   b. A difference in site area affects net value.
      Yes [ ] No [ ] N/A [ ]
      If yes, comment: ________________________________

   c. Review of the Survey and Surveyor's Certificate reveals encroachments not previously considered.
      Yes [ ] No [ ] N/A [ ]
      If yes, comment: ________________________________

   d. Encroachments are acceptable and do not affect value and marketability.
      Yes [ ] No [ ] N/A [ ]
      If no, comment: ________________________________

      The following encroachments must be removed prior to closing:
      ________________________________

   f. Flood hazard elevations shown on the survey are consistent with environmental assessment clearance assumptions.
      Yes [ ] No [ ] N/A [ ]
      If no, comment: ________________________________

   g. Reprocessing is required because of Survey or Surveyor's Certificate identified issues.
      Yes [ ] No [ ] N/A [ ]
      If yes, comment: ________________________________

03/15/2002
3. Maintenance agreements have been considered in project operating expense.
   a. If no, processing is required.
   b. Comment:
      __________________________________________________________

4. Zoning Compliance is unconditional and is reasonable in its currency.
   If no, comment: _____________________________________________

5. The lease and is acceptable (leasehold projects only).
   If no, the following changes must be made:
      __________________________________________________________

6. Special Conditions of the Commitment, numbered ________________, are considered in this review. Required documents have been submitted and found Acceptable for them all.
   If no:
   a. Special Conditions numbered ________________ have not been satisfied.
      Comment: __________________________________________________
      __________________________________________________________
   b. The following documents must be submitted:
      __________________________________________________________

7. Owner's certification listing all federal/state/local government insurance, loan, grant or subsidy programs in which the project/owner will participate and any grants or below-market loans to be received from non-governmental sources is on file (required for all projects).
   a. If no, comment:
      __________________________________________________________
   b. If yes, certification is consistent with valuation processing and deed covenant restrictions.
      If no, comment: __________________________________________

8. Owner's Sources and Uses of Funds Statement is on file listing: all funds available; all purposes for which funds will be disbursed; and dates any investor contributions are due.
   __________________________________________________________
If no, comment: ____________________________________________

9. Deed covenants or other closing documents include low-income occupancy and/or rent restrictions.

a. If yes:
The basis is: tax credits or tax-exempt bonds (Section 142 d) or tax-exempt bonds (State or local) or local rent restrictions (identify which).
Comment: ____________________________________________

The deed covenant, and/or other closing document, low-income occupancy and/or rent restrictions are consistent with the IRS tax credit allocation certification, IRS tax-exempt ruling, etc., as applicable, and the assumptions used in valuation processing.

b. If local rent restrictions, then project assistance is provided in the form of: tax exempt bonds or CDGB or land write down.
If yes, identify which:
_______________________________________________
_______________________________________________
If no, comment: ____________________________________________

Certification for providing the assistance is included and consistent with the restrictions.
If yes, identify form of assistance certification:
_______________________________________________
_______________________________________________
If no, comment: ____________________________________________

C. More than 40 percent of units are subject to low-income occupancy and/or rent restrictions under tax exempt bond or tax credit financing provisions.
If yes, project is assisted by project based Section 8 subsidy or comparable long-term state/local subsidy.
The basis is: tax credits or tax-exempt bonds (Section 142 d) or tax-exempt bonds (State or local) or local rent restrictions (identify which).
Comment: ____________________________________________

Yes ☐ No ☐ N/A ☐
The deed covenant, and/or other closing document, low-income occupancy and/or rent restrictions are consistent with the IRS tax credit allocation certification, IRS tax-exempt ruling, etc., as applicable, and the assumptions used in valuation processing.

If no, comment: ______________________________________________________

b. If local rent restrictions, then project assistance is provided in the form of: tax exempt bands or CDGB or land write down.

If yes, identify which:

______________________________________________________________

If no, comment: _____________________________________________

Certification for providing the assistance is included and consistent with the restrictions.

If yes, identify form of assistance certification:

______________________________________________________________

If no, comment: _____________________________________________

c. More than 40 percent of units are subject to low-income occupancy and/or rent restrictions under tax-exempt bond or tax credit financing provisions.

If yes, project is assisted by project based Section 8 subsidy or comparable long-term state/local subsidy, or Headquarters approval letter is on file.

If yes, identify which:

______________________________________________________________

If no, comment: _____________________________________________

10. Title Policy/Endorsement Schedule B Items and/or other identified title exceptions have been considered in project value and marketability or have no effect on them.

If no:

Yes  No  N/A
a. Reprocessing is required, if the following items/exceptions are not removed:

_______________________________________________

_______________________________________________

Comment: ________________________________________

________________________________________

b. The following items/exceptions must be removed under any circumstances:

_______________________________________________

_______________________________________________

Comment: ______________________________________

11. Comments:

__________________________________________________________

__________________________________________________________

__________________________________________________________

__________________________________________________________

_______________________________ _________________________

APPRAISER     CHIEF APPRAISER

_______________________________ _________________________

Date      Date
Initial Endorsement Document Review – Housing Programs 12H

PROJECT NAME: ____________________________________________________________

PROJECT NUMBER: ________________________________________________________

Answer each question. Check N/A only where the document/question is not applicable to the project.

1. The commitment issuance and expiration dates are______________ and______________ respectively.
   a. The commitment has been extended __________
      If yes, the new expiration date is: ________________
   b. The commitment has been reopened __________
      If yes, the new expiration date is: ________________
   c. The commitment has been amended.
      If yes, the amendment dates are: ________________

2. The Commitment has been assigned. __________
   If yes:
   a. The new mortgagee is an approved mortgagee and the assignment is acceptable.
      If no, comment: ________________________________
      ____________________________________________
   b. Current mortgagee: ____________________________
      Mortgagee number: _____________________________
   c. Previous mortgagee: ____________________________
      Mortgagee number: _____________________________

3. Special conditions of the Firm Commitment are No. _______ thru _______ inclusively.
   a. Architectural, Cost, Valuation, and Mortgage Credit reviews address Nos. ________________, ________________, _____________ and ______________ respectively.
   b. This review considers special conditions Nos. ________________.
      Documents have been submitted and found acceptable for them all. __________
      If no:

   Yes No N/A
c. Special conditions numbered __________________ have not been satisfied.
   Comment: ____________________________________________
   ____________________________________________________

d. The following documents must be submitted:
   ____________________________________________________
   ____________________________________________________

e. The following actions have been taken:
   ____________________________________________________
   ____________________________________________________

4. Request For Permission to Commence Construction Prior to Initial Endorsement for Mortgage Insurance, Form FHA 2415, was executed.
   If yes:
   __   __   __
   a. Copies were furnished to Arch and MC, and construction started.
      If no, comment:
      ____________________________________________________
      ____________________________________________________
   b. All known issues arising from the early start have been reconciled.
      __   __   __
      If no, comment: ____________________________________________
      ____________________________________________________

5. EO 12372 Clearance, if applicable, has been received.

6. Chronology of Mortgage Transactions, Form FHA 260, is attached.
   If no, comment: ____________________________________________

7. Checks in the amount of $ _____________________ for ____________________________, and $ _____________________ for ____________________________ must be collected at closing.

8. Owner's certification listing all Federal/State/local government insurance, loan, grant or subsidy programs in which the project/owner will participate and any grants or below market loans to be received from non-government sources is signed and on file (required for all projects).
   __   __   __
   If no, comment: ____________________________________________

9. The following documents, if applicable, have been signed and returned by the PHA/Owner:
   Yes   No   N/A
   a. Annual Contributions Contract (ACC).
      __   __   __
Appendix 12

Insurance Closings

If no, comment: ________________________________
________________________________

b. Agreement to Enter into a Housing Assistance Payment Contract (AHAP).
   If no, comment: ________________________________
   ________________________________________________

c. Housing Assistance Payment Contract (HAP).
   If no, comment: ________________________________
   ________________________________________________

d. Low-Income Housing Credit Allocation
   Certification, IRS Form 8609, HQ review, Exhibits 1-7, and owner's statement agreeing to notify HUD of any changes.
   If no, comment: ________________________________
   ________________________________________________

e. Owner's Certification That Project Will Not Participate in the Low Income Housing Tax Credit (LIHTC) Program.
   If no, comment: ________________________________
   ________________________________________________

f. IRS tax exemption ruling.
   If no, comment: ________________________________
   ________________________________________________

g. Other.
   ________________________________________________
   ________________________________________________
   ________________________________________________

10. COMMENTS:

   ________________________________________________
   ________________________________________________
   ________________________________________________

PROGRAM REVIEWER ___________________

SUPERVISOR _________________________

DATE ______________________________

03/15/2002
Section H – Page 3 of 3
Secondary Financing Rider

THIS RIDER is attached to and made a part of the foregoing note(s) (herein, the "Junior Note") and mortgage(s) or deed(s) of trust (herein, the "Junior Mortgage") between ____________________________________________, referred to herein as the "Mortgagor," and ____________________________________________, referred to herein as the "Junior Lender" (Collectively, the "Junior Loan Documents"). The terms and conditions of the Rider supersede the terms of the Junior Loan Documents, and, should there be any conflict or inconsistency between this Rider and the Junior Loan Documents, the terms and conditions of this Rider shall prevail. By acceptance of delivery and recordation of the Junior Loan Documents, the Junior Lender agrees to the following provisions. By execution of the Junior Loan Documents, the Mortgagor agrees to the following provisions:

1. The Junior Loan Documents are specifically subordinate to that certain note and mortgage/deed of trust between the Mortgagor and ______________________________ (herein, the "Senior Mortgagee") dated _________________________ and recorded ________________________ in the real property records of ______________________ County, ________________.

2. The Junior Note may not mature, and may not bear a maturity date, prior to the date on which the Senior Mortgage matures. The term of the Junior Mortgage may be extended if the Junior Note matures, there are no surplus cash funds available for repayment and the Senior Mortgage has not been retired in full or HUD grants a deferment of amortization or forbearance that results in an extended maturity of the Senior mortgage.

3. The Junior Mortgage may be assumed when a sale or transfer of the physical assets occurs under the following conditions:
   a. Not more than 70 percent of the net proceeds of the sale or transfer is applied to the reduction of the loan.
   b. For these instructions, net proceeds are the funds available to the original mortgagor after:
      i. Correcting any monetary or covenant default on the first mortgage, and
      ii. Making required contributions to any reserve funds and needed improvements to the property as evidenced by HUD's annual inspection reports.

4. If HUD approves a sale of the project pursuant to HUD guidelines for transfers of physical assets, then Junior Mortgagee will agree to such transfer of the ownership of the project.

5. The Junior Note and Junior Mortgage automatically terminate if HUD acquires title to the project by a deed in lieu of foreclosure.

6. All work performed with the proceeds of the Junior Mortgage must be cost certified and must confirm will Davis-Bacon requirements.
7. The Junior Mortgage is subject to and subordinate to the Senior Mortgage, the HUD Regulatory Agreement between HUD and the Mortgagor and the Building Loan Agreement between the Mortgagor and the Senior Mortgagee.

8. Proceeds of the Junior Loan may only be used to cover allowable project costs or an anticipated operating shortfall.

9. Payment Only From Surplus Cash. Check the appropriate alternative below:

   a. _____ [For junior loans secured by a lien against the project] As long as the Secretary of Housing and Urban Development, or his/her successors or assigns, is the insurer or holder of the Senior Mortgage, any payments due from project income under the Junior Loan Documents, or any prepayments made, shall be payable only from surplus cash of the project, as that term is defined in the Regulatory Agreement dated ____________, 20 __, between the Secretary and the Mortgagor, and subject to the availability of such surplus cash in accordance with the provisions of said Regulatory Agreement. The restriction on payment imposed by this paragraph shall not excuse any default caused by the failure of the maker to pay the indebtedness evidence by the Junior Note.

   b. _____ [For junior loans NOT secured by a lien against the project] As long as the Secretary of Housing and Urban Development, or his/her successors or assigns, is the insurer or holder of the Senior Mortgage, any payment due from project income under the Junior Loan Documents, or any prepayments made, shall be payable only from surplus cash of the project, as that term is defined in the Regulatory Agreement dated ____________, 20 __, between the Secretary and the Mortgagor, and subject to the availability of such surplus cash in accordance with the provisions of said Regulatory Agreement. The restrictions on payment imposed by this paragraph shall not excuse any default caused by the failure of the maker to pay the indebtedness evidenced by the Junior Note. Junior Lender has no claim and will not later assert any claim for payment against the mortgaged property, the mortgage proceeds, any reserve or deposit made with the Senior Mortgagee or another required by the Secretary in connection with the mortgage transaction, or against the rents or other income from the mortgaged property. The Mortgagor cannot issue a surplus cash not to the principals as evidence of an obligation for payment of the Junior Loan.

10. Mortgagor has obtained the prior written consent of the Senior Mortgagee to the existence of the Junior Loan.

11. To the extent that the Junior Note provides for payment of principal and interest, such principal and interest shall be due and payable on the maturity date of the Senior Mortgage, provided that if the Senior Mortgage is prepaid in full, the holder of the Junior Note, at its option and without notice, may declare the whole principal sum or any balance thereof, together with interest thereon, immediately due and payable. Interest due pursuant to the terms of the Junior Note that is not paid in accordance therewith shall not create any default in the terms of the Junior Note, but shall accrue and be payable in full at the date of maturity of the Senior Mortgage.
12. The Junior Note is non-negotiable and may not be sold, transferred, assigned, or pledged by the Junior Mortgagee except with the prior written approval of HUD.

13. The Junior Mortgagee certifies that the Junior Loan Documents represent a *bona fide* transaction and that it fully understands all of HUD's requirements for such secondary financing, and that not prepayment of principal or interest shall be accepted without evidence that the Federal Housing Commissioner has authorized such prepayment. If an unauthorized prepayment is accepted, the funds shall be held by the Junior Mortgagee in trust for the project.