

Request for Endorsement of Credit Instrument & Certificate of Lender, Borrower & General Contractor

U.S. Department of Housing and Urban Development
Office of Housing

OMB Approval No. 2502-0598
(Exp. 12/31/2027)

The public reporting burden for this collection of information is estimated to average 0.75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, 451 7th St SW, Room 8210, Washington, DC 20410-5000. Do not send completed forms to this address. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. HUD collects this information to obtain supportive documentation that must be submitted to HUD for approval. HUD uses this information to ensure that viable projects are developed and maintained. This information is required to obtain benefits derived from the National Housing Act Multifamily Mortgage Insurance Programs. This information collected is authorized under Title II of the National Housing Act (12 USC 1701 et seq.) and the regulations at 24 CFR 200 et seq., and no confidentiality is assured.

Warning: Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

Project Name: Project Address: Lender:	Project Number: Date of Commitment: Borrower:
<input type="checkbox"/> Traditional Application Processing (TAP) <input type="checkbox"/> Multifamily Accelerated Processing (MAP)	<input type="checkbox"/> Insurance upon Completion under Section _____ <input type="checkbox"/> Refinancing under Section _____ pursuant to Section _____

To the U.S. Department of Housing and Urban Development (HUD):

GENERAL

The entities executing this Request for Endorsement of Credit Instrument (“Request”), dated this day of _____, 20____, are _____, the borrower (“Borrower”), and _____, the lender (“Lender”) under that certain Security Instrument dated _____, 20____; _____, [insert for insurance upon completion Projects “and _____, the entity responsible for construction or substantial rehabilitation of the Project (“General Contractor”)], (collectively the “Parties”).

The definition of any capitalized term or word used herein can be found in this Request, and if not found in this Request, then found in the Note, the Regulatory Agreement between Borrower and HUD, and/or the Security Instrument, except that the term “Program Obligations” means (1) all applicable statutes and any regulations issued by the Secretary pursuant thereto that apply to the Project, including all amendments to such statutes and regulations, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and (2) all current requirements in HUD handbooks and guides, notices, and mortgagee letters that apply to the Project, and all future updates, changes and amendments thereto, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and provided that such future updates, changes and amendments shall be applicable to the Project only to the extent that they interpret, clarify and implement terms in this Certificate rather than add or delete provisions from such

document. Handbooks, guides, notices, and mortgagee letters are available on “HUDCLIPS,” at www.hud.gov.

The Parties hereby agree that the Security Instrument, the Note, this Request, and any documents submitted with this Request are considered to be consistent with and shall be interpreted consistently with HUD’s regulations as they pertain to the Contract of Insurance. The Parties also agree to be bound by Program Obligations.

I. CERTIFICATE OF LENDER

The undersigned, on behalf of Lender, certifies that to the best of his or her knowledge the following statements and information are true, accurate and complete.

A. LENDER SUBMISSIONS & REPRESENTATIONS

1. Lender has committed to provide Borrower with permanent financing in the amount stated above at an interest rate of _____% per annum for a term of _____ payments, with amortization to commence [*insert commencement timeline*] subject to terms described below.
2. Lender submits separately a payment to HUD for \$_____ covering the first mortgage insurance premium, together with the other items called for in the Firm Commitment as set forth above and in any extensions or amendments thereof. Lender certifies that all conditions of the Firm Commitment have been fulfilled to date, including any work done prior to endorsement of the Note that has been approved by HUD, in writing, and all HUD-imposed conditions have been met with respect to such work.
3. Lender submits separately the appropriate financing statement(s) covering all of the Mortgaged Property that, under applicable law, may be subject to a security interest under the Uniform Commercial Code ("UCC"), whether acquired now or in the future, and all products and cash proceeds and non-cash proceeds thereof ("UCC Collateral").
4. Lender submits separately a certified survey of the Mortgaged Property, if required by HUD, and a title policy as specified in Program Obligations together with evidence that the Mortgaged Property is properly zoned.
5. Lender shall not release the loan funds (in the amount approved for disbursement by HUD) unless or until the current endorsement to the title policy, insuring Lender and HUD, evidences that (a) the lien of the Security Instrument is prior to all liens and encumbrances that may have attached or defects that may have arisen subsequent to the recording of the Security Instrument, except such liens or other matters approved by HUD, including tax liens not delinquent, and (b) the lien of the Security Instrument is prior to all mechanics' and materialman's liens filed of record subsequent to the recording of the Security Instrument, regardless of whether such liens attached prior to the recording date.
6. Lender shall: (a) obtain the prior written approval and/or consent of HUD in those instances required in the Security Instrument; (b) furnish HUD with all pleadings, reports and data in those instances required in the Security Instrument, including but not limited to the physical inspection report of the Mortgaged Property, except for physical inspections performed by HUD or on behalf of HUD, and financial reporting data; and (c) furnish HUD with a copy of any application by Lender for the appointment of a receiver pursuant to the Security Instrument and all related pleadings.
7. Lender shall furnish a complete copy of this Request to any successors and assigns of Lender and agrees that, in any contract for sale or assignment of the Security Instrument to a successor Lender (for purposes of servicing the Loan only), the successor Lender shall be bound by the provisions of this Request that relate to the servicing of the Loan. As long as the Note is insured by HUD, any successor Lender and/or servicer must be approved by HUD in accordance with Program Obligations.

8. All required repairs have been completed in accordance with Program Obligations [*include the following if there are deferred repairs* “except for such items approved by HUD as identified in the Escrow Agreement for Deferred Repairs”].
9. Impound accounts for taxes, insurance and mortgage insurance premiums have been established and are adequately funded.
10. Lender shall (a) require Borrower to keep the Mortgaged Property insured at all times against such hazards as Lender and HUD may from time to time require and as set forth in the Security Instrument, and (b) notify HUD of any known payments made by an insurer. All insurance policies on the Project comply with the terms of the Security Instrument, and where applicable, those insurance policies have attached thereto a standard mortgagee clause making the loss payable to HUD and Lender, as its interest may appear, and where applicable, HUD and Lender are shown as an additional insured.
11. All insurance policies on the Project comply with the terms of the Security Instrument and, where applicable, that those insurance policies have attached thereto a standard mortgagee clause making the Lender the loss payee and an additional insured party (if applicable). If Lender determined that any of the Improvements are located in an area identified by the Federal Emergency Management Agency (“FEMA” or any successor to that agency) as an area having special flood hazards, or when flood insurance is otherwise determined necessary by HUD consistent with Program Obligations and required by the Firm Commitment, Lender shall collect from the insurance company providing flood insurance, an insurance certificate evidencing flood insurance, dated as of _____.
12. If the Security Instrument is assigned to HUD under the Contract of Insurance, HUD shall not be bound by the requirements of this Request.
13. Lender shall promptly review any Borrower’s request to transfer the Project and not unreasonably withhold Lender’s approval of the transfer. If HUD approves the transfer, Lender shall execute a release and assumption agreement or a security instrument modification agreement incorporating any new Regulatory Agreement into the existing Security Instrument. It is understood that Lender’s consent to the transfer shall in no way prejudice Lender’s rights under the Contract of Insurance with HUD.
14. Lender (a) shall notify HUD in writing immediately upon learning of any Violation of the Regulatory Agreement by Borrower, (b) shall treat Violations under the terms of the Regulatory Agreement as a default under the Security Instrument where HUD requests Lender to do so, and (c) shall, following a Declaration of Default by HUD under the Regulatory Agreement and upon the direction of HUD, declare the entire Indebtedness to be due and payable.
15. There has been no material adverse change to the (a) underwriting assumptions stated on the attachments to the Firm Commitment, as amended; (b) financial condition of creditworthiness of the Borrower, or principals hereof; (c) Borrower’s ability to perform its obligations or responsibilities under the loan documents; or (d) Project; and no event has occurred or circumstances exist that may result in such material adverse change.
16. In addition to and not in derogation of all other undertakings made or mentioned herein, Lender: (a) undertakes to fully perform all duties imposed in or described by this Certificate of Lender; and (b) certifies as to Lender’s present intent to fully perform such duties. Lender acknowledges that HUD relies upon the certifications and agreements made herein.

B. ESCROWS AND DEPOSITS HELD BY LENDER

1. Lender has collected from Borrower, or Borrower has made subject to the control and order of Lender in a depository satisfactory to Lender, in accordance with Program Obligations, the following sums required by the Firm Commitment:

[Check and complete applicable subsections.]

- (a) ["The sum of \$_____ in the form of cash" OR "A letter of credit in the amount of \$_____" OR "set aside from the final disbursement of Loan proceeds funds] totaling "120% OR 110%" of the amount necessary to complete deferred repairs"] described in Section I.A.7, above. [Insert for a cash-out refinancing under § 223(f) of the National Housing Act: "An additional cash amount of \$_____, equal to fifty percent (50%) of the cash-out proceeds, has been withheld by Lender from the proceeds of the Loan."].
 - (b) The sum of \$_____ for deposit into the Project's Reserve for Replacement account ["which includes the transfer of the balance in the Reserve for Replacement account from FHA Project No. _____"]. ["In addition, the balance in the Reserve for Replacement account from FHA Project No.____ - _____ in the estimated amount of \$_____ is to be transferred to the Lender for deposit into the Reserve for Replacement account post-closing."]
 - (c) The sum of \$_____ in the form of [cash OR letter of credit] as the Working Capital deposit, which Lender agrees to maintain and control. Funds in this Working Capital deposit must be released or allocated for the purposes indicated in the Escrow Agreement for Working Capital, dated_____, 20___, and executed by _____ and for no other purpose, unless Lender obtains the prior written approval of HUD.
 - (d) The sum of \$_____ [in cash] for deposit into the Project's Residual Receipts account, which is the balance in the Residual Receipts account from FHA Project No._____.
 - (e) The sum of \$_____ in the form of [cash OR letter of credit] for the escrow deposit guaranteeing payment for off-site facilities. Funds from this escrow may be released in accordance with the Escrow Agreement for Off-Site Facilities dated _____, 20___, and executed by _____.
 - (f) The sum of \$_____ in the form of [cash OR letter of credit OR excess mortgage proceeds OR excess land equity] for the Initial Operating Deficit Deposit. Funds from the Initial Operating Deficit Deposit may be released with HUD approval and in accordance with the Escrow Agreement for Initial Operating Deficit, dated _____, 20___, and executed by_____.
 - (g) List any other escrows: [Insert escrow amount and description of any related escrow agreement] _____.
2. Any letter of credit collected in lieu of cash must be unconditional and irrevocable, and have been issued by either (1) another banking institution or (2) Lender, subject to written approval by HUD prior to initial endorsement. Lender has not made (and shall not make) any inducements as described in Section C(4) below to procure the issuance of letters of credit. If demand under the letter of credit is not immediately met, Lender

shall forthwith provide cash equivalent to the undrawn balance thereunder without recourse to Borrower and without regard to Lender's ability to recover such amount from any other entity or person who securitized the letter of credit.

3. As required by the Firm Commitment, Lender submits separately:

(if required, check and complete the applicable paragraph)

- (a) Off-site bond in the amount of \$ _____
- (b) Evidence to the effect that required off-site utilities and streets will be provided by the public authorities having jurisdiction or by public utility companies serving the Project.
- (c) Submitted separately is the sponsor's guarantee to meet an initial operating deficit (dated _____, 20__, and executed by _____).
- (d) Escrow Agreement for Operating Deficit evidencing a [*cash, or letter of credit*] deposit in the amount of \$ _____, dated, 20__, and executed by _____.

4. List any other escrows: _____

5. Beginning on the Amortization Commencement Date of the Insured Loan or at such later date as may be agreed to by HUD in writing, Lender shall require a monthly deposit with Lender (or in a depository satisfactory to Lender in accordance with Program Obligations) in the amount [of _____ per annum] OR [as specified in the Reserve for Replacement Schedule - Exhibit D to the Firm Commitment (attached hereto as Exhibit ____)] constituting a Reserve for Replacement. The Reserve for Replacement account shall at all times remain under the control of Lender or Lender's Designee and be insured or guaranteed by a federal agency in accordance with Program Obligations. Withdrawals from such account may be made only with the prior written approval of HUD (unless otherwise authorized pursuant to Program Obligations). Notice of any failure to receive the required deposits shall be forwarded to HUD within 60 days of the date such deposits are due. Lender agrees that the amount of the monthly deposit may be increased or decreased from time to time at the written direction of HUD in accordance with Program Obligations.
6. Lender shall obtain a new Capital Needs Assessment ("CNA") report for HUD to evaluate every ten (10) years, beginning [*insert date ten (10) years after the date of endorsement of the Note "_____, 20____"*]. The cost of each such CNA report may be paid from the Reserve for Replacement.
7. If a Residual Receipts account is required (as referenced in the Regulatory Agreement), Lender shall deposit in a depository satisfactory to Lender, in accordance with Program Obligations, all funds received from Borrower for deposit therein. The Residual Receipts account shall be subject to the control of Lender, and withdrawals may be made only with the prior written approval of HUD (unless otherwise authorized by Program Obligations). These funds shall be held in an interest-bearing account which shall be insured or guaranteed by a federal agency and in accordance with Program Obligations. Lender agrees to notify HUD in writing of any non-compliance with Program Obligations with respect to such Residual Receipts account immediately when known to Lender

C. FEES, CHARGES AND OTHER LENDER OBLIGATIONS

1. "Financing Charges" means any charge, direct or indirect, for supplying the Loan to Borrower or servicing the Loan for HUD, Ginnie Mae, a third-party investor or Lender's own account.
2. No Financing Charges, except those charges disclosed herein, have been made and none shall be made. Until Initial/Final Endorsement for insurance by HUD, all Financing Charges collected pursuant to items (c), (d), or (e) below shall be held for the account of Borrower and shall be subject to HUD's control and direction in the event of a claim under the Contract of Insurance.

(Lender check and complete the following applicable subsections)

- (a) Lender has not imposed and will not impose a financing fee of any kind directly or indirectly, other than the initial service charge.
- (b) Lender has imposed an initial service charge in the amount of \$ _____ .
- (c) Lender has collected a placement fee of \$ _____ .
- (d) Lender has a firm commitment from _____ to purchase the Loan at a financing charge or discount of _____ percent (___%) and Lender has collected in the form of [*cash OR letter of credit*] the amount of \$ _____ to cover said charge or discount.
- (e) This Project shall be financed with [*tax-exempt OR taxable*] bonds. Therefore, Lender has collected in the form of [*cash OR letter of credit*] the amount of \$ _____ and has distributed or shall distribute from Loan proceeds the amount of \$ _____ to cover the costs of issuance of the bonds. An itemized statement of costs, including explanatory notes for each cost and source of funds, is attached as Exhibit _____.
- (f) Additional financing charges or discount of \$ _____ are to be collected under Exhibit attached hereto for the purpose shown in (c), (d), or (e) [*Strike inapplicable letters*]. The arrangement for the collection of additional financing charges or discounts must follow Program Obligations and use forms prescribed by HUD.
- (g) The Note rate includes a servicing fee payable to Lender monthly during the life of the Loan ("Servicing Fees"). In addition, the Lender may impose reasonable and customary administrative fees and charges (including, but not limited to, reimbursements for out-of-pocket expenses) for handling and investing the cash held in the Reserve for Replacement, the Residual Receipts account, if applicable, and any other interest-bearing escrows related to the Project and for processing, reviewing and approving other matters, as more fully set forth in Program Obligations ("Administrative Fees"). Borrower is entitled to earn interest on the Reserve for Replacement and Residual Receipts accounts, as more fully set forth in Program Obligations. Lender shall not invest escrow account monies in interest-bearing account unless interest earned is added to and included in the relevant escrow account, and unless the net income is paid or credited to the account of Borrower. Net income is defined as the earnings remaining after the following expenses are deducted: (i) any Servicing Fees, and (ii) any Administrative Fees.
- (h) The Loan to be made to Borrower will be financed through funds being provided by a third-party investor through the issuance to the investor of permanent participation certificates pursuant to a participation agreement between Lender and the investor, with

respect to which agreement Lender has agreed to repay the investor at a stated interest rate according to a fixed payment schedule.

- (i) The Loan to be made to Borrower will be financed through funds being provided by a third-party investor through the issuance to the investor of construction and permanent, fully-modified, pass-through, mortgage-backed securities, guaranteed as to principal and interest by Ginnie Mae.
 - (j) The Loan is subject to a rate lock extension fee of [*insert fee amount*] on [*insert rate lock extension fee deadline*].
 - (k) The Note includes the following prepayment provision: [*add prepayment penalty provision, do not check this box if the Note does not include prepayment provision.*]
3. All fees and/or charges of Lender are also enumerated on a separate schedule prepared by Lender, attached hereto as Exhibit _____. The charges have been (i) collected in cash or will be so collected not later than the date of initial/final endorsement; (ii) will be disbursed from Loan proceeds; or (iii) will be collected or disbursed as otherwise set forth in Program Obligations.
 4. Except for (a) Loan advances made in accordance with Program Obligations, (b) notes executed pursuant to Section C(2)(f) above, or (c) Lender advances made pursuant to the Security Instrument, Lender does not have outstanding and shall not make loans or advances to Borrower, any of the sponsors, the general contractor, or the architect for any purpose connected directly or indirectly with the Project without prior written approval of HUD; and Lender has not made or offered, and shall not make or offer, any guarantees, pledges, reservations of sums to become due, or other inducements to any entity or person to make loans or advances which Lender would be prohibited from making under the terms of this Section.
 5. Lender has not made and shall not make payment of any kickback or fee or other consideration, directly or indirectly, to any person who has received payment or other consideration from any other person in connection with this Loan transaction, including the purchase or sale of the Mortgaged Property, except for compensation paid or to be paid, if any, for the actual performance of services and approved by HUD.
 6. (a) For Loans funded with the proceeds of state or local bonds, Ginnie Mae mortgage-backed securities, or other bond obligations as defined by HUD, any of which contain a prepayment lock-out and/or prepayment premium provision, in the event of a default during the term of the prepayment lock-out and/or prepayment premium (i.e., prior to the date on which prepayments may be made with a prepayment premium of one percent or less), Lender shall follow those procedures set forth in Program Obligations.

(b) After commencement of amortization, Lender shall notify HUD of the delinquency when a payment is not received by the tenth (10th) day of the month in which it is due.
 7. (a) The following are the only identities of interest, as defined in Program Obligations, between Lender and Borrower, any Principal of Borrower, General Contractor, any subcontractor, or the seller of the land (state "Not Applicable" if no such identities of interest exist): (b) Lender shall disclose to HUD any future identities of interest, as defined in Program Obligations prior to initial/final endorsement.

8. No identity of interest, as defined in Program Obligations, exists between Lender and the counsel to Borrower and no portion of the amounts included in the Loan for Borrower's attorneys has been paid to Lender or its employees.
9. All funds, escrows, accounts and deposits specified in this Request and any and all other funds held by or at the order of Lender in connection with the Loan transaction covered by this Request shall be funds held pursuant to Program Obligations and any applicable escrow agreements.
10. All HUD form closing documents submitted to HUD in connection with this transaction (with the exception of the Opinion by Counsel to Borrower and the accompanying Certification by Borrower) conform to those documents Lender obtained from HUD and such documents have not been changed or modified in any manner except as specifically identified and approved by HUD as evidenced by the attached Exhibit _____. It is understood that changes and modifications do not include filling in blanks, attaching exhibits or riders, striking through inapplicable provisions, deleting bracketed provisions as contemplated by the terms of the documents, or making changes authorized by Program Obligations.
11. If closing with electronic documents, Lender agrees to provide HUD with electronic copies of the executed closing documents post-closing that conform in all respects to the electronic versions delivered to and accepted by HUD at the closing of the Loan and will include a certification of such conformance that includes the same warning language found in this Certificate with its electronic submission to HUD.
12. Based upon Lender's reasonable due diligence, Lender has no reason to believe: (a) Borrower has failed to obtain the necessary governmental certificates, permits, licenses, qualifications and approvals of Governmental Authorities to own and operate the Mortgaged Property, to carry out all of the transactions required by the Loan Documents, and to comply with applicable federal statutes and regulations of HUD in effect on the date of the Firm Commitment; and (b) any appropriate actions have not been taken by or necessary filings have not been made with those Governmental Authorities.
13. Lender has made reasonable inquiry and has discovered no liens or encumbrances against the Mortgaged Property that are not reflected as exceptions to coverage in the title policy.
14. Lender has consented to all secondary financing liens or encumbrances against the Property (including Section 241 loans), if any.
15. The Loan does not violate the usury laws or laws regulating the use or forbearance of money of the Property Jurisdiction.
16. If there is a sale or transfer of all or a partial interest in the Note (other than a sale or transfer of a participation or other beneficial interest, e.g., a transfer of any interest of a Ginnie Mae MBS Security, or the creation of a security interest) or a change of the Loan servicer, Lender shall be responsible for ensuring that Borrower is given Notice of the sale, transfer and/or change.
17. The Security Instrument and the Uniform Commercial Code Financing Statement filings, along with any other documents or means required by State law, establish a perfected first lien security interest under the Uniform Commercial Code in the UCC Collateral in favor of Lender. Lender shall maintain a perfected first lien position in the UCC Collateral for the life of the Loan.

18. The following Exhibit(s) [is/are] attached to this Request: [INSERT LIST OF EXHIBITS].

[Include this Section if the Project will be partially financed by cash-collateralized, tax-exempt bonds. This Section may be modified for similarly structured transactions that use tax-exempt loans in lieu of tax-exempt bonds, as approved by the HUD Closing Attorney.]

D. 4% Low Income Housing Tax Credit & Tax-Exempt Bonds

1. The financing for this Project includes the issuance of tax-exempt, cash-collateralized bonds (the “Bonds”) by *[insert state agency issuing bonds]*_____. As set forth in the draft bond loan agreement and draft bond trust indenture *[modify loan document titles as needed]* (the “Bond Documents”), the bond structure requires the Lender to deliver funds to the bond trustee for deposit into the bond “Collateral Fund”. The Bond Documents also govern the funding and use of funds contained in the “Project Fund” and the “Bond Fund”.
2. Lender agrees for purposes of this Section that:
 - a. “HUD/FHA-Insured Loan Funds” means funds delivered to the Borrower (or Borrower’s designee, such as the contractor but never the bond trustee) by the Lender pursuant to HUD form HUD-92403 Application for Insurance of Advance of Mortgage Proceeds;
 - b. Funds do not become HUD-Insured Loan Funds unless, and until, such funds are disbursed directly to the Borrower (or Borrower’s designee, which may not be the bond trust or any related party); and
 - c. “Lender Funds” means funds in the Lender’s control, whether from Lender’s own account or from Lender’s warehouse bank, line of credit or other funding source.
3. All funds delivered by Lender to the bond trustee for deposit into the Collateral Fund shall be Lender Funds, and shall not be subject to payment under a mortgage insurance claim;
4. HUD-Insured Loan Funds shall not be sent to the bond trustee or deposited in the Collateral Fund, Project Fund, Bond Fund, or any other funds or accounts established through the Bond Documents to facilitate issuance of the Bonds; and
5. Lender Funds are not insured by HUD and are used at the Lender’s own risk; Lender Funds do not become HUD-Insured Loan Funds until direct disbursement to the Borrower (or Borrower’s designee).

{The following statement must appear on the same page as the executed signature for the Lender.}

The signatory below certifies that all of the information it has provided in this Request and in any accompanying documentation is true, accurate, and complete, has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by the HUD as a true statement of the facts contained therein. The signatory below acknowledges that the submission of any false, fictitious, or fraudulent statement, representation, or certification in this Request or on any accompanying documents may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and/or imprisonment under applicable federal law.

LENDER:

By:

Printed Name:

II. CERTIFICATE OF BORROWER

A. The undersigned, on behalf of the Borrower, certifies to HUD to the best of his or her knowledge and belief that:

1. The Certificate of Lender is true, correct and complete.
2. All funds escrowed with Lender, as set forth in the Certificate of Lender, may be held by Lender for the purposes indicated therein, or in an Event of Default and with HUD's permission may be applied to the Indebtedness.
3. Borrower has received the sum of \$ _____ constituting the full principal amount of the Loan for the Project.
4. The Security Instrument is a good and valid first lien.
5. The Mortgaged Property is free and clear of all liens, except the Security Instrument and such inferior liens (if any) that have been approved by HUD.
6. No Fixtures or Personalty acquired for the Project have been purchased using a conditional sale contract or other form of delayed payment.
7. Construction or repairs has/have been completed in a good workman-like manner, free of all liens, and in accordance with the schedule of repairs, plans and/or specifications (if any) previously submitted to HUD as required, except as otherwise noted in the Certificate of Lender.
8. All outstanding unpaid obligations to remain after initial/final endorsement, which Borrower (or on behalf of Borrower) directly or indirectly, contracted in connection with the Loan transaction, the acquisition of the Mortgaged Property, and the construction, substantial rehabilitation, or repair of the Project are listed below:

(NOTE: If the space provided is inadequate to list all unpaid obligations, insert the total in each category and attach itemizations. If there are no outstanding obligations, so state.

(a) HUD-approved notes (<i>copies attached hereto as Exhibit _____</i>)	\$
(b) Due General Contractor	\$
(c) Other Unpaid Obligations approved by HUD	\$
9. Except for any amounts due on notes listed in Section 8 above, Borrower shall pay the foregoing obligations in cash and to furnish HUD with receipts, or other evidence of payment satisfactory to HUD, within 45 days following the date hereof.
10. The Schedule of Accounts Payable, attached as Exhibit _____, is true, correct and complete. All past due Accounts Payables have been cleared, released and/or otherwise fully satisfied, except such obligations previously approved by HUD.
11. The certified rent roll, attached as Exhibit _____, is true, correct and complete.

- 12. All tenant security deposits are kept in accordance with the Regulatory Agreement and all applicable State law. Such tenant security deposits are also kept separate and apart from all other funds of the Project in a trust account, the balance of which shall at all times equal or exceed the aggregate of all outstanding obligations under said account.

- 13. Except for such UCC filings disclosed to Lender and HUD that are to be released with the financing of the Loan, Borrower represents and warrants to Lender and HUD that no UCC filings have been made against Borrower, the Project or the Project Assets prior to the initial/final endorsement of the Note by HUD, and Borrower has taken and shall take no action which would give rise to such UCC filings, except for any UCC filings in connection with the acquisition of any Personalty (as listed below), that have been approved in writing by HUD.

- 14. Borrower represents and warrants that adequate sewer, water, gas (if applicable) and electrical facilities (“utility” or “utilities”) are fully installed for the Project and all utility bills are current. *[Insert for 223(a)(7) and 223(f) projects with Level 1 alterations, or Level 2 or Level 3 alterations when additional (or changes to) utilities are not needed to support the repairs required by the HUD Firm Commitment: “Furthermore, no requirement for additional utilities are needed to support the repairs required by the HUD Firm Commitment.”] [Insert for 223(f) projects with Level 2 or 3 alterations, when additional (or changes to) utilities are needed to support the repairs required by the HUD Firm Commitment: “Borrower has obtained recent letters or agreements with the utility providers confirming that the utility providers have adequate capacity to provide and will provide utility services to the Project when work is completed.”]*

- 15. Borrower represents and warrants that there have been no changes in the status of the Project’s building code compliance from that presented with the Lender’s application for Firm Commitment.

- 16. The following Exhibit(s) [is/are] attached to this Request:
 [INSERT LIST OF EXHIBITS]

{The following statement must appear on the same page as the executed signature for the Borrower.}

The signatory below certifies that all of the information it has provided in this Request and in any accompanying documentation is true, accurate, and complete, has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by the HUD as a true statement of the facts contained therein. The signatory below acknowledges that the submission of any false, fictitious, or fraudulent statement, representation, or certification in this Request or on any accompanying documents may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and/or imprisonment under applicable federal law

BORROWER:

By:

Printed Name:

[Omit this Part 3 Certification of General Contractor if not applicable.]

III. CERTIFICATE OF GENERAL CONTRACTOR

A. The undersigned general contractor certifies to HUD:

1. The construction is in accordance with the Drawings and Specifications approved by HUD.
2. All outstanding unpaid obligations contracted by or on behalf of the undersigned in connection with the Construction Contract are listed below:

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

(NOTE: If the space provided is inadequate to list all unpaid obligations, insert the total in each category and attach itemizations. If there are no outstanding obligations, indicate "none.")

B. Except for unfinished work funded by an escrow or escrows approved by HUD, the undersigned agrees to pay the foregoing obligations, and to furnish HUD receipts or other evidence satisfactory to HUD, within 15 days following receipt of payment from Borrower.

{The following statement must appear on the same page as the executed signature for the General Contractor.}

The signatory below certifies that all of the information it has provided in this Request and in any accompanying documentation is true, accurate, and complete, has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by the HUD as a true statement of the facts contained therein. The signatory below acknowledges that the submission of any false, fictitious, or fraudulent statement, representation, or certification in this Agreement or on any accompanying documents may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and/or imprisonment under applicable federal law.

Name of Entity:	
By:	By:
Printed Name	Printed Name: