

Owner's Certificate

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

Under Section 202 of the Housing
Act of 1959 or Section 811 of the
National Affordable Housing Act

To:(HUD Field Office)	Project Name:
	Project Number:

Dear Sir:

The undersigned hereby agrees to accept a capital advance from you upon the terms set forth in your commitment dated _____, 19_____, for the above captioned Project (hereinafter referred to as the "Project") and extensions and amendments thereof, and certifies to you as follows:

- 1) That the undersigned possesses the powers necessary for and incidental to the ownership, construction, and operation of a rental housing project as required by the provisions of the Housing Act of 1959 or the National Affordable Housing Act and the Regulations applicable thereto.
- 2) That the instrument securing said capital advance is a good and valid first lien on the property therein described and the mortgaged premises are free and clear of all liens other than that of the Mortgage except those specifically permitted by you.
- 3) That upon completion of the Project there will not be outstanding any unpaid obligations contracted in connection with the purchase of the property, construction of the Project, or the mortgage transaction except such obligations as may be approved by you as to terms, form, and amount.
- 4) That, except as has been previously approved in writing by you, no construction has been commenced on the mortgaged premises prior hereto.
- 5) That the Project will be constructed in accordance with the terms of the Construction Contract, if any, and with the "Drawings and Specifications" which include the "AIA General Conditions of the Contract" (except for deletion of all arbitration provisions) prescribed by you, and the Supplementary General Conditions, three copies of which Contract, together with the "Master Set," and three sets of said "Drawings and Specifications" are herewith delivered to you as required by your Commitment.
- 6) The requests for payment of capital advance funds will be made to HUD on the basis of the "Trade Payment Break-down" as set forth in the Construction Contract, if any, and the Capital Advance Agreement. Further, that no material or equipment, for which capital advance funds will be available, will be purchased on a conditional sale contract or financed by a chattel mortgage, and that all work performed and material and equipment furnished will be paid for in cash following receipt of the advance of mortgage proceeds intended for these items.
- 7) That, as the construction of the Project progresses, the undersigned will procure and submit to you all necessary building and other permits from the legally constituted authorities and that all such permits now obtainable have been procured as witness the certified copies thereof hereby presented.
- 8) If applicable, that the determination of the Department of Labor with respect to prevailing wages has been received by the undersigned and is included as a part of the aforesaid specifications for the construction of the Project, and all Contractors employed by the undersigned have been or will be fully advised prior to performance of any work that all laborers and mechanics employed on construction of the Project must be paid not less than such prevailing wages, and that each such Contractor, as a condition precedent to any payment to him, must certify in the form prescribed by the Commissioner that all laborers and mechanics employed by him or his subcontractors on the Project have been paid not less than such wages.
- 9) That the approved fees and expenses have been fully paid or will be paid and that the funds deposited with the approved escrow agent will be used for the purposes indicated.
- 10) That you and your authorized representatives are hereby granted the right to enter upon the mortgaged premises at any and all times for the purposes of the inspection thereof.
- 11) That occupancy of the Project in whole or in part will not be permitted without first having received your written permission and proper permits from all legal authorities having jurisdiction.
- 12) That the undersigned has no obligations except those approved by HUD and that except for such approved obligations the land included in the mortgage has been paid for in full by the undersigned, in cash, stock, property and/or services and is free from vendor's lien or purchase money obligation.

- 13) a) That, from this date and for so long as the mortgage is held by HUD:
- 1) The Project books and records will be established and maintained in accordance with the requirements of HUD, and in such condition as to permit a speedy and effective audit;
 - 2) Such books and records will be retained for such period as may be prescribed by HUD;
- b) Such books and records will be available to HUD and to the Comptroller General of the United States for such examination and audits as they may desire to make.
- 14) That neither it nor anyone authorized to act for it will refuse to rent, after the making of a bona fide offer, or refuse to negotiate for the rental of, or otherwise make unavailable or deny the property covered by the Mortgage to any person because of race, creed, color, religion, sex, age, handicapping condition, or national origin; that any restrictive covenant on such property relating to race, creed, color, religion, sex, handicapping condition, or national origin is recognized

as being illegal and void and is hereby specifically disclaimed; and that civil action for preventive relief may be brought by the Attorney General in any appropriate U.S. District Court against any persons responsible for a violation of this certification.

- 15) That the undersigned will submit an accounting for all receipts and disbursements during the period starting with the date of first occupancy of the Project and ending, at the option of the undersigned, either (a) the last day of the month in which the Project is determined by you as acceptably complete, the date of such determination to be furnished by you, or (b) one month from the date the Project is determined by you as acceptably complete. The undersigned further agrees that the excess of receipts over proper disbursements as determined by you during the accountable period shall be treated as a recovery of construction cost.
- 16) That the undersigned has not collected, nor will the undersigned collect, from Project residents or from prospective Project residents, admission fees, founders' fees, life-care fees or similar payments pursuant to any agreement, oral or written, whereby the undersigned agrees to furnish accommodations or services in the Project to persons making such payments.

Date: _____

Mortgagor: _____

Attest: _____

By _____

(Signature and Title Officer)