

**CONDITIONAL COMMITMENT FOR
 SINGLE FAMILY HOUSING LOAN GUARANTEE**

TO: Lender's Name and Address	Borrower ID: (USDA 9 digit ID, not SSN)	
	State:	County:
	State Code:	County Code:
Borrower	Principal Amount of Loan \$	
Borrower SSN:		

From an examination of information supplied by the Lender on the above proposed loan, and other relevant information deemed necessary, it appears that the transaction can properly be completed.

Therefore, the United States of America acting through the Rural Housing Service (RHS), or its successor (herein referred to as Agency) hereby agrees that, in accordance with applicable provisions of the Agency regulations published in the Federal Register and related forms, it will execute Form RD1980-17, "Loan Note Guarantee," subject to the conditions and requirements specified in said regulations and below.

The Loan Note Guarantee fee payable by the Lender to Agency is \$ _____ .

The interest rate for the loan is _____¹ % .

A Loan Note Guarantee will not be issued until the Lender certifies as required in 7 CFR 1980.360 that there has been no adverse change(s) in the Borrower's financial condition, nor any other adverse change in the Borrower's condition during the period of time from Agency's issuance of this conditional commitment to issuance of the Loan Note Guarantee. The Lender's certification must address all adverse changes and be supported by financial statements of the Borrower and its guarantors not more than 60 days old at the time of certification.

This conditional commitment becomes null and void unless the conditions are accepted by the Lender and Borrower within 60 days from date of issuance by the Agency. Any negotiations concerning these conditions must be completed by that time. Except as set out below, the purposes for which the loan funds will be used and the amounts to be used for such purposes are set out on Form RD 1980-21, "Request for Single Family Housing Loan Guarantee." Once this instrument is executed and returned to the Agency, no major change of conditions or approved loan purpose as listed on these forms will be considered.

Additional Conditions and Requirements including source and use of funds:²

This conditional commitment will expire on _____³ unless the time is extended in writing by the Agency, or upon the Lender's earlier notification to the Agency that it does not desire to obtain an Agency guarantee.

UNITED STATES OF AMERICA

By: _____

Date: _____ (Title)

¹ Insert fixed interest rate.

² Insert any additional conditions or requirements in this space or on an attachment referred to in this space; otherwise, insert "NONE".

³ The Agency will determine the expiration date of this contract. This data will not exceed 90 days from the date of issuance. The Agency may grant one (1) 90 day extension. Consideration will be given to the date indicated by the Lender in the acceptance of conditions. If construction is involved the expiration date will correspond with the projected completion of the project.

**LENDER CERTIFICATION
FOR SFH GUARANTEED LOAN**

LENDER CERTIFICATION:

Instructions to Lenders: for use by lenders closing loans under 7 CFR 1980, Part D. Submit an original (or true and accurately represented imaged document) to the Rural Development office who issued Form RD 1980-18. Retain a duplicate of the executed certification in the Lender's permanent case file.

In connection with the request for loan note guarantee for _____, Borrower ID _____ the following certifications are made by _____ (Lender). I, the undersigned Lender certify that: _____

- 1) No major changes have occurred since the issuance of the Conditional Commitment for Guarantee that effect the subject loan request, except any that have been approved by the Agency in writing.
 - a) The closed loan matches the proposed loan upon which Form RD 1980-18 was issued or revised.
 - b) If the interest rate was not fixed at the time Form RD 1980-18 is issued, and the interest rate increase between issuance of Form RD 1980-18 and loan closing, the change is noted and documentation of the fixed rate at lock is submitted.
 - i) If either or both of the underwriting ratios are exceeded as a result of an interest rate increase, compensating factors that demonstrate sufficient repayment continues to exist is required.
 - c) No default exists.
- 2) The lender has not imposed any charges or fees against the borrower in excess of those permissible as set forth in 7 CFR 1980, Part D.
- 3) The information submitted to the Agency is true, accurate and complete.
- 4) The information obtained in the loan application was obtained directly from the borrower by an employee of the undersigned lender or the lender's duly authorized agent and is true to the best of the lender's knowledge and belief.
- 5) The credit report submitted on the subject borrower (co-borrowers(s), if any) was obtained by the undersigned lender or the lender's duly authorized agent directly from the credit bureau which prepared the report and was received directly from said credit bureau.
- 6) The verification(s) of employment and verification(s) of deposits, if applicable were requested and received by the lender of the lender's duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief.
- 7) The loan to the named borrower(s) meets the income and credit requirements of 7 CFR 1980, Part D.
- 8) The loan conforms to the applicable provisions of CFR 1980, Part D and the regulations concerning guaranty of loans.
- 9) All planned property acquisition (construction, repairs, alterations or improvements) has been completed upon which the market value of the property is predicated unless:
 - a) An escrow account has been established in accordance with section 1980.315 of 7 CFR 1980, Part D.
- 10) The required insurance coverage is in effect.
- 11) All Truth-in-Lending requirements have been met.

Lender Certification
Continued - Page 2

- 12) All equal employment opportunity and nondiscrimination requirements have been met at the appropriate time.
- 13) The loan has been properly closed and the required security instruments, including any required recapture instruments, have been obtained.
- 14) The borrower(s) have marketable title to the collateral now owned by the borrower subject to the instrument securing the loan to be guaranteed and any other exceptions approved in writing by the Agency.
- 15) Lien priorities are consistent with the requirements of the Conditional Commitment for Guarantee.
- 16) The loan proceeds have been disbursed for purposes and in amounts consistent with the Conditional Commitment for Guarantee.
- 17) There has been no adverse change in the borrower's financial condition or any other adverse change in the borrower's situation since the Conditional Commitment for Guarantee was issued by the Agency.
- 18) All inspections in accordance with Section 1980.341 of 7 CFR 1980, Part D have been obtained.
- 19) All other requirements listed in the Conditional Commitment for Guarantee have been met.
- 20) If the sale of the note or transfer of servicing occurs subsequent to this certification, the lender agrees to notify Rural Development in accordance with section 1980.309(e) of 7 CFR 1980, Part D.

At this time, the loan will be:

- retained
- sold concurrently as follows: [Lender must be an approved FNMA, FHLMC, FHA, VA or GNMA Lender]

Holding Lender (The RHS approved Lender who will be holding/owning the mortgage note after the effective date of transfer, i.e. Fannie Mae, Freddie Mac, etc., not Ginnie Mae: (See Instructions on back):

Lender Tax ID: _____ Agency Assigned Branch Number: _____

Lender Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Servicing Lender (The lender that will be servicing the loan(s) after the effective date of transfer):

Lender Tax ID: _____ Agency Assigned Branch Number: _____

Lender Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

- This loan was securitized into a Ginnie Mae Pool (mark an X in box if securitized into a Ginnie Mae pool)

LENDER'S AUTHORIZED
REPRESENTATIVE SIGNATURE

TITLE
LENDER'S REPRESENTATIVE

DATE
SIGNED

Lender Certification
Continued - Page 3

The following documents are to accompany the Lender Certification:

- Promissory Note

- Final Statement of Loan Disbursements and Costs or HUD- 1

Other Necessary Documents, as applicable:

- Evidence the date the interest rate was locked in accordance with section 1980.320 of 7 CFR 1980, Part D, if the rate was floating at issuance of Form RD 1980-18.

- Escrow accounts: If development work is finished at Loan Note Guarantee request, confirmation development work has been performed for escrow accounts developed in accordance with section 1980.315 of 7 CFR 1980, Part D. If pending at guarantee request, confirmation development has been completed may be by e-mail or presentation of the final inspection.