

Mortgagee's Application for Partial Settlement Multifamily Mortgage

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

OMB Approval No. 2502-0427
(exp. 12/31/2010)

Public reporting burden for this collection of information is estimated to average 15 minutes 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is collected to obtain required fiscal data for HUD to compute a partial settlement of insurance benefits prior to a complete examination of the claim. HUD minimizes expenses incurred while paying insurance benefits and provides immediate financial relief to the claimant. Payment of such benefits is cited in 12 USC 1713(g). The information requested does not lend itself to confidentiality.

Instructions: Prepare this form immediately upon receipt and email TO:

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or submit TO:

U.S. Department of Housing and Urban Development
Multifamily Claims Branch
451 7th Street, SW, HWAFCR
Washington, D. C. 20410 - 8000.

On the date the assignment or deed is filed for record, an email is to be sent to the Multifamily Claims brang

Chief, Multifamilyclaimsbranch@hud.gov or faxed to (202) 619-8259,

advising the date that the assignment or deed was filed for record. For assignments, the telefax must include the following information:

"Assignment of mortgage for (name of Project),
Project No. _____ filed for record and endorsement of
hazard insurance policies accomplished on _____, 20__.

- (1) Date of default (except for Section 221(g)(4) mortgages)
- (2) Unpaid principal balance
- (3) Monthly amount due for principal and interest, taxes, hazard insurance, and reserve for replacement escrows (listed separately)
- (4) Date and amount of last taxes due
- (5) Due date of next taxes payable
- (6) Escrow balances for taxes, hazard insurance, reserves for replacements, and mortgage insurance premiums
- (7) Initial and final endorsement dates
- (8) Date of commitment
- (9) Your telefax number
- (10) Mortgagor name, address and tax identification number
- (11) Mortgagor type of entity (individual, partnership, corporation, etc.)
- (12) Name and address of company managing the project
- (13) Is the mortgage Bond Financed? ___Yes ___No
If yes, please state 'Bond Type.' _____
If the mortgage is bond financed, please follow the

instructions above and Mortgagee Letter 99-33.

- (14) A certification that the mortgagee or servicer has completed and submitted Form HUD 2537, Mortgagee's Application for Partial Settlement, Form HUD 2747, Mortgagee's Application for Insurance Benefits, and the Form HUD 1044-D, Payment Information Form and a copy of the Debenture Lock Agreement, if any.

The following claims will be paid in cash unless the mortgagee presents a written request for debentures: Sections 220, 221 and 233 endorsed on or after July 7, 1961; 235(j)(1) Section 241 loans made in connection with any of the foregoing and endorsed on or after July 15, 1978; 236 and all other multifamily mortgages endorsed under another section of Titles II or XI pursuant to Section 223(e). All other multifamily claims are settled by issuance of debentures.

For multifamily mortgage assignments which are to be settled by issuance of debentures, all escrow deposits, reserves for replacement funds, undisbursed mortgage proceeds, any undisbursed balance under a letter of credit, and other monies held by the mortgagee for the account of the mortgagor must be remitted to HUD on the date the assignment is filed for record. The mortgagee will retain net income from operation of the project and receipts from any source after the date of default irrespective of whether the claim is settled in debentures or cash. For multifamily property conveyances, and for all cash settlements, all funds are to be retained by the mortgagee, and the amount thereof will be deducted from the settlement.

If the mortgage has been finally endorsed for insurance, partial settlement of approximately 90 % of the unpaid principal balance will be made on cash settlements upon receipt of the above telefax. If the project is not completed, the amount of the partial settlement will depend upon the extent of completion. The final settlement will be made after receipt of the fiscal data and the title requirements, which are to be submitted within 45 days after the assignment of the mortgage, or deed, was filed for record, or such further time as may be granted in writing.

1. Project Number	2. Name & Location of Project	3. Date of this Notice
4. Payment in Default (specify date, amount, & nature)		
5. Aggregate Cash Escrows on Hand at this Date (including Reserves for Replacement)	6. Unpaid Principal Balance	7. Undisbursed Mortgage Proceeds
\$	\$	\$

The undersigned hereby certifies and agrees that in the event HUD finds it necessary to reconvey the property or reassign the mortgage, the mortgagee will promptly reimburse HUD in full for the amount of the settlement without prejudice to the mortgagee's right to file an application for insurance benefits at a subsequent date. The undersigned further certifies that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

8. Mortgagee's Name, Address & Zip Code	9. Servicer's Name, Address & Zip Code
8a. Employer Identification Number	
10. Signature & Title of Mortgagee Official X	11. Signature & Title of Servicer Official X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).