

Mark-to-Market Form 7.21
Transmittal and Certification of Interim/Final Settlement Statement
and Closing Escrow Instructions

Both the PAE and Closing Escrow Agent must sign this certification acknowledging that the information contained in this Form, attached Settlement Statement and other attached documents accurately reflect the flow of funds POC, received and disbursed from the Closing Escrow.

"Closing" in the context of this form will mean the date the PAE Attorney signs the Certification forms 7.8, 7.11 or 7.14

Project Name:	
FHA #:	
Date of Closing:	
PAE:	
7.21 Prepared by:	
Name:	
Title:	Telephone #:
Entity:	
Version: Original submission _____ Final _____	

1) **Attach the Following:**

a) **Closing Escrow Instructions**

b) **Check below indicating document(s) attached:**

i) _____ **Interim/Final Settlement Statement**

ii) _____ **Interim/Final Disbursement Statement** (optional, but if attached, must also include an Interim Settlement Statement as well. See 2 below)

c) **If Accounts Payables are paid at closing attach itemized list to Settlement Statement - see 12 below**

2) **If Interim Settlement and/or Disbursement Statement attached:**

a) **List all un-disbursed funds; final settlement statement signed by both PAE & EA will need to be provided to HQ Closing Dept. no later than 3 days after final disbursement, however the docket must contain the final settlement statement and Form 7.21 showing all disbursed funds:**

Un-disbursed Funds	\$\$ Amount	Reason Why Un-disbursed	Estimated Time of Final Disbursement
1.	\$		
2.	\$		
3.	\$		

FUND SOURCES

- 3) **List the actual dollar amounts received into the escrow from each Source :**
 Amounts must match what was verified by HQ Closing prior to funding the partial payment of claim (if appl.) and/or must match the Exhibit F Sources and Uses:

Source of Funds	\$Amount Received
HUD <i>(If HUD-Held N/A but reflect the amount of the M2M Notes on inset of S.S.)</i>	\$
Existing Escrows <i>(see 4a below)</i>	\$
Takeout Financing <i>(If new escrows netted only reflect net funds to Escrow - see 5 below)</i>	\$
Owner <i>(Must match S.S., Exhibit F and Final Administrative Amendment to RC)</i>	\$
Other Sources <i>(e.g., bridge loan funds to cover tax credit equity- see 6 below)</i>	\$

4) **Status of existing escrows.**

- a) Provide summary breakout of each existing escrow account specifically addressed in the Closing Escrow Instructions, identifying how and when the existing balances were/will be disbursed (e.g., POC to new lender, POC to mortgagor, netted, or funds sent to Closing Escrow):

Pre-Closing Escrow Accounts	\$\$ Amount <i>POC to New Lender (A)</i>	\$\$ Amount <i>Netted from Existing Pay Off (B)</i>	\$\$ Amount <i>Funded to Closing Escrow (C)</i>
R4R	\$	\$	\$
Property Taxes	\$	\$	\$
Hazard Insurance	\$	\$	\$
MIP	\$	\$	\$
Residual Receipts	\$	\$	\$
Other (specify)	\$	\$	\$
Total	\$	\$	\$

* If escrows are POC from old to new lender, obtain from old mortgagee estimated time of delivery to new mgtee

- 5) **Takeout financing with lender fees and escrows netted.** Provide total of all escrows and lender financing costs netted from the takeout financing:

\$\$ Takeout Financing <i>minus</i> Total Escrows	
\$ _____	Loan Proceeds
\$- _____	Total New Escrows/Fees <i>(from #9a column B below)</i>
\$ _____	Total* <i>(Net takeout financing)</i>

* Sometimes total is negative meaning additional funds are due to new mortgagee

- 6) **Sources that do not flow through the Closing Escrows.** Show these funds in the narrative column on the left side of the Settlement Statement and write POC (Paid Outside of Closing). Do not list dollar amounts in the columns to the right if they are not actually sent to (or disbursed by) the escrow agent.

- a) **Funds committed but not available at Closing.** Are there any other Sources of Funds (besides existing escrows and the netted lender funds above) reflected on the Statement that did not flow through the closing escrow (e.g., construction financing, tax credit equity, etc?) Yes/No

Other Funds	Source
\$	
\$	

FUND USES

- 7) **List the actual dollar amounts of 3rd party disbursements:**
Amounts must match funding as reflected on the settlement/disbursement statement and Closing Escrow Instructions:

Summary of Uses	\$Amount 3 rd party disbursements
**Existing Financing <i>(If existing escrows are netted only reflect net p/o -see 8 below)</i>	\$
Set-up of New Escrow Accounts <i>(Show combined total for all escrows - see 9 below)</i>	\$
HUD <i>(Return surplus funds to HUD - see 11 below)</i>	\$
Other Uses <i>(e.g., Rehab Escrow, Operating Deficit Escrow, Payables, etc.)</i>	\$
Owner <i>(Excess residual receipts, new deposit to hazard ins escrow when no takeout financing)</i>	\$

***If multiple payoffs add lines as needed*

- 8) **Payoff of Existing Lender.** Reflect the actual dollar amount wired by the escrow agent to payoff the existing lender below *(If net payoff reflect below)*

\$\$ Gross Payoff minus Total Escrows
\$ _____ Gross Payoff <i>(from CMB- includes P&I, fees)</i>
\$- _____ Total Existing Escrows <i>(must match 4a above)</i>
\$ _____ Total* <i>(Net Payoff)</i>

** Sometimes p/o is less than escrow balances meaning difference is either sent to escrow agent or mtgee*

- 9) **New Escrows established at closing**
a) **Provide breakout of each new escrow account** being established with new lender (or other entity if Rehab Escrow) and how they were funded below (e.g., tax escrow, \$400 POC from old to new lender and additional \$500 from funds in Closing Escrow):

Post-Closing New Escrow Acct	\$\$ Amount POC from Old to New Lender (A)	\$\$ Amount Netted from Takeout Financing (B)	\$\$ Amount Funded by Closing Escrow (C)
R4R	\$	\$	\$
Property Taxes	\$	\$	\$
Hazard Ins. (If HUD-Held N/A)	\$	\$	\$
*MIP (impound adjustment)	\$	\$	\$
Residual Receipts	\$ NA	\$ NA	\$ NA
Other (specify)	\$	\$	\$
Total	\$	\$	\$

*Up- front funded in full at closing from transaction costs

- b) If HUD will be in first lien position, do not collect or transfer funds for hazard insurance escrows to HUD; HUD does not service the owners hazard insurance.
- c) Will escrows be fully funded after POC funds are disbursed? _____ (If no, reconcile before disbursing funds).

10) **New Lender contact info for disbursement.** Show total \$ amount of any escrow balances held by old lender at closing to be sent directly to new lender:

Amount to be sent from old to new lender**	\$
New lender name and mailing address	
Contact person name and phone #	

**Sometimes less than the existing balance(s) will be sent to the new lender

- 11) **If HUD is a payee on Statement of Itemized funds.**
- a) Provide the information below as per Chapter 7 of the OPG. Provide breakout of which line items from the Statement are included in each check so we can track proper application of the funds when received. If HUD is holding the escrows please properly identify in 7 above.

Date Sent	Check #	Amount	HUD mailing address	SS line items in that check

- i) **Were any funds wired to HUD?** _____ (HUD strongly discourages wires from the Closing Escrow Agent; checks are preferred). If a wire was sent, provide tracking information:
Date _____ Amount \$ _____ Identifying Information
(on the transmittal) _____

- 12) Does the Statement reflect disbursement of Accounts Payables (AP) with individual payees identified on the Statement? _____ If not, revise Statement so that each AP payee is identified (attach a detailed list to the Settlement Statement).
- 13) Is the Statement in balance? _____ If there are excess funds, check with the PAE closing attorney for guidance before disbursement. Do not disburse any funds until in balance.

The following certifications must be signed anew by both the PAE Attorney and Closing Escrow Agent at each submission of the 7.21.

Deadlines established herein for submission refer to the date of "Closing". In this context, "Closing" refers to the date the PAE Attorney signs the Attorney's Certification, forms 7.8, 7.11 and/or 7.14 as appropriate

PAE Attorney

I, _____, representing _____ (PAE for this transaction) have reviewed the attached settlement/disbursement Statement(s) and certify that the information in the Statement(s) is correct and consistent with the information in this Form and reflect the flow of funds received and disbursed from the Closing Escrow.

I further certify that at this time, _____ [enter date signed] the Closing Escrow **is/is not [CIRCLE ONE]** now closed and all funds **have/have not [CIRCLE ONE]** been disbursed.

Closing Escrow Agent

I, _____, representing _____ (CEA, Closing Escrow Agent for this transaction), have reviewed the attached settlement/disbursement Statement(s), dated _____ and certify that the information in the Statement(s) is correct and consistent with the information in this Form and reflect the flow of funds received and disbursed by the Closing Escrow .

I further certify that at this time, _____ [enter date signed] the Closing Escrow **is/is not [CIRCLE ONE]** now closed and all funds **have/have not [CIRCLE ONE]** been disbursed.

Public reporting burden for this collection of information is estimated to average 1 hour 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 information is required to obtain benefits. The office of Multifamily Housing, Office of Affordable Housing Preservation 451 7th Street SW, Room 6216 6230 Washington, DC 20410. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. Title V of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1988 (P.L.106 65, 111 Stat. 1384) authorizes the FHA Multifamily Housing Mortgage and Housing Assistance Restructuring Program. HUD implemented a statutory permanent program directed at FHA-insured multifamily projects that have project-based Section 8 contracts with above-market rents. The information collection is used to determine criteria eligibility of FHA-insured multifamily properties for participation in the Mark to Market program and the terms on which participation should occur. The purpose of the program is to preserve low-income rental housing affordability while reducing the long-term costs of Federal rental assistance. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.