

Mortgagor's Certificate of Actual Cost

(Section 207 Pursant to Section 223f)

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

OMB No. 2502-0044 (Exp. 0/31/2013)

Public reporting burden for this collection of information is estimated to average 4 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. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB Control Number.

Section 227 of the National Housing Act (Section 126 of the Housing Act of 1954, Public Law 560, 12 U.S.C., 1715r) authorizes the collection of this information. This information is required for a general contractor when an identity of interest exists between the general contractor and the mortgagor or when the mortgagor is a non-profit entity and a cost plus contract has been used. The information is required for the Section 223(f) program which involves the purchase or refinance of an existing project. The information is used by HUD for Section 223(f) projects only to determine if actual cost of improvements equaled or exceeded the proceeds of the loan and the amount by which the proceeds of loan exceeded actual cost.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While not assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

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|--|--------------|
| To: Secretary of Housing and Urban Development c/o | Project No. |
| | Project Name |
| | Location |

The actual cost to the undersigned of labor, materials and necessary services for the purchase/ or refinancing of the existing property (land and improvements) in connection with the subject loan, after excluding any kickbacks, rebates, adjustments made or to be made are as follows:

| Item | Paid | To be Paid at Endorsement | Total |
|---|------|---------------------------|-------|
| 1. Purchase Price or Existing Indebtedness | \$ | | |
| 2. Repairs (Itemize on Schedule A on the back of this form) | | | |
| 3. HUD Fees | | | |
| 4. Lender's Fee (Loan origination and closing) | | | |
| 5. Recording Expenses | | | |
| 6. Legal and Organizational Expense (Attach an itemized schedule) | | | |
| 8. Other Expense (Itemize on Schedule C on the back of this form) | | | |
| 9. Total Cost | \$ | | |

This certification is made, presented and delivered for the purpose of influencing an official action on behalf of the Secretary of Housing and Urban Development. This certification may be relied upon as a true statement of the facts contained herein.

| | |
|-----------------------|------|
| Signature of Borrower | Date |
|-----------------------|------|

Warning: U.S. Code, Title 31, Section 3729, False Claims, provides a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages for any person who knowingly presents, or causes to be presented, a false or fraudulent claim; or who knowingly makes, uses, or causes to be used, a false record or statement; or conspires to defraud the Government by getting a false or fraudulent claim allowed or paid.

Warning: U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Department of Housing and Urban Development and Federal Housing Administration transactions", Provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Department . . . makes, passes, utters, or publishes any statement, knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years or both."

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|---|----------|
| To Lender: Maximum Insurable Loan (For Completion by HUD) | |
| Total Per Line Item 8 | \$ _____ |
| Less Disallowed Amounts | _____ |
| Subtotal | \$ _____ |
| Mortgage Amount | |
| A. _____ % of Item 3 (Enter 85% if Acquisition; 100% if Refinanced) | \$ _____ |
| B. Amount Committed for Insurance | \$ _____ |
| C. Amount Based on Recomputed Mortgage | \$ _____ |
| Maximum Insurable Loan (Enter the lower of A, B, or C) | \$ _____ |
| By (Authorized Agent) | Date |

Instructions

In accordance with HUD Regulations, accurate records of all costs must be maintained and are subject to review by employees of HUD prior to the endorsement of the loan for insurance. The records must be in sufficient detail to permit the itemization of cost required by this form, including the Schedules below. Only those items of cost actually incurred by the Borrower will be allowed by HUD. (If the space allowed below for the Schedules of Cost is insufficient, continue the itemization on an attached sheet.)

Schedule A (Repairs – Item 2)

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| Total | \$ |

Schedule B (Lender's Fees - Item 4)

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| Total | \$ |

Schedule C (Other - Item 7)

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| Total | \$ |