

**Consolidated Certifications –  
Parent of the Operator**  
Section 232

**U.S. Department of Housing  
and Urban Development**  
Office of Residential  
Care Facilities

OMB Approval No. 9999-9999  
(exp. mm/dd/yyyy)

**Public reporting** burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation that must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. 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.

**Warning:** Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

**Privacy Act Notice:** The Department of Housing and Urban Development, Federal Housing Administration, is authorized to collect the information requested in this form by virtue of: The National Housing Act, 12 USC 1701 et seq. and the regulations at 24 CFR 5.212 and 24 CFR 200.6; and the Housing and Community Development Act of 1987, 42 USC 3543(a). The information requested is mandatory to receive the mortgage insurance benefits to be derived from the National Housing Act Section 232 Healthcare Facility Insurance Program. No confidentiality is assured.

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**INSTRUCTIONS:**

Please use the gray shaded areas (e.g., <<example>>) or appropriate check box (e.g., ) for your responses.

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**Parent:** <<Parent's name here>>  
**Operator (Lessee):** <<Operator's name here>>  
**Borrower:** <<name of Borrower here>>  
**Management Agent:** if applicable <<name of Management Agent here {or} N/A if not applicable>>  
**Lender:** <<Lender's name here>>  
**Project:** <<name of Project here>>  
**Project Location:** <<project city and state here>>  
**FHA No.:** <<FHA number here>>

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**Part I. Program**

- Section 232 New Construction**
- Section 232 Substantial Rehabilitation**
- Section 232 Blended Rate**
- Section 232 pursuant to Section 223(f)**
- Section 232 pursuant to Section 223(a)(7)**
- Section 232 pursuant to Section 241(a)**
- Section 232(i)**
- Section 223(d)(2):** Under this part, the operating loss must have occurred within the first 24 months of the cost certification cut-off date and this application submission must be made within 3 years of the end of the loss period. The loan cannot exceed the eligible loss.
- Section 223(d)(3):** Under this part, the operating loss must have occurred within the first 10 years of the cost certification cut-off date and this application submission must be made within 10 years of the end of the loss period. The loan cannot exceed 80% of the unreimbursed cash contributions made by the Borrower, and in no event will the loan exceed 100% of the eligible loss.

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**Part II. Supplement to Underwriting Analysis**

	<b>Yes</b>	<b>No</b>
1. Has the Parent of the Operator been delinquent on any federal debt? If yes, attach a letter from the affected agency that the debt is satisfied or under a workout agreement. ....	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Parent of the Operator been a defendant in any suit or legal action?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the Operator ever claimed bankruptcy or made compromised settlements with creditors? .....	<input type="checkbox"/>	<input type="checkbox"/>
4. Are there judgments recorded against the Parent of the Operator? .....	<input type="checkbox"/>	<input type="checkbox"/>
5. Are there any unsatisfied tax liens against the Parent of the Operator? .....	<input type="checkbox"/>	<input type="checkbox"/>

If the answer to any of questions 1 through 5 is “yes,” **attach the details on a separate sheet using instructions below.** The Operator certifies that its answer to each of the questions in this Part and the information in any such attached sheets is true and correct.

A. Delinquent federal debt – Provide the following:

- 1. A detailed, written explanation from any applicant or Principal with a prior federal default or claim or whose credit report and financial statements contain conflicting or adverse information.
- 2. A letter from the affected agency, on agency letterhead and signed by an officer, stating the delinquent federal debt is current or satisfactory arrangements for repayments have been made.

3. The Lender's reason(s) for recommendation of the applicant, which may be included in the Lender's Narrative

- B. Judgments – Provide a detailed, written explanation from any applicant or Principal explaining the circumstances of the judgment, the resolution, and if not resolved, the expected outcome and resolution date.
- C. Suits or legal actions – Provide a detailed, written explanation from any applicant or Principal explaining the circumstances of the suit or action, describing the expected resolution of or mitigation for the action, and indicating the entity has insurance to cover the suit. Documentation must show likelihood and date to resolve. If previously resolved, indicate date of original suit and resolution date.
- D. Bankruptcies – Any Borrower or Operator of a healthcare facility or their affiliate or renamed or reformed company that has filed for, is in, or has emerged from bankruptcy within the last five years is not eligible to participate in any manner in a facility that is the subject of a mortgage insured through the Section 232 Mortgage Insurance for Health Care Facilities Programs. A project in bankruptcy that is acquired by a non-identity of interest Borrower in good standing is eligible for mortgage insurance.
- E.

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### **Part III. Byrd Amendment**

The Parent of the Operator states, to the best of its knowledge and belief, that: “If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the Borrower shall complete and submit *Standard Form-LLL-Disclosure Form to Report Lobbying*, in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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### **Part IV. Credit Authorization**

The Parent of the Operator consents to the release of any banking and credit information in connection with the mortgage insurance application with respect to the above-referenced project to HUD, the Lender, and any contractors engaged by HUD or the Lender in connection with such application.

The Parent of the Operator also authorizes the Lender to request credit reports from an independent credit reporting agency and agrees to cooperate fully with said independent agency in regard to this matter. The Lender and HUD are also authorized to verify references and depository institutions supplied by the undersigned.

For the purpose of obtaining financing for the project, the Parent of the Operator further authorizes the Lender to disclose all financial and other information submitted by the Parent and others in connection with the project, and hereby releases the Lender, its agents, and employees from liability arising from such disclosures to HUD and to other such persons and entities as the Lender deems necessary or appropriate in connection with the project.

**Part V. Other Parties**

**Appraisal Firm:** if applicable      <<name of appraisal firm here {or} N/A if not applicable>>

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**Environmental Firm:** if applicable      <<name of environmental firm here {or} N/A if not applicable>>

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**Cost Review Firm:** if applicable      <<name of cost review firm here {or} N/A if not applicable>>

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**A&E Review Firm:** if applicable      <<name of A&E review firm here {or} N/A if not applicable>>

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**Market Study Firm:** if applicable      <<name of market study firm here {or} N/A if not applicable>>

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**Contractor:** if applicable      <<name of contractor here {or} N/A if not applicable>>

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**PCNA Firm:** if applicable      <<name of PCNA firm here {or} N/A if not applicable>>

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**Design Architect:** if applicable      <<name of design architect here {or} N/A if not applicable>>

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**Supervisory Architect:** if applicable      <<name of supervisory architect here {or} N/A if not applicable>>

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**Seller:** if applicable      <<name of seller here {or} N/A if not applicable>>

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**Part VI. Identities of Interest**

Does the Operator or the Parent of Operator have an identity of interest with the following parties or their Principals?

	Not Applicable	Yes	No		Not Applicable	Yes	No
Lender:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appraisal Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Borrower:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Environmental Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management Agent:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cost Review Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Contractor:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A&E Review Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Design Architect:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Market Study Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supervisory Architect:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Seller:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PCNA Firm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Audit Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the answer to any of the questions in this Part is “yes,” attach a separate sheet setting forth the nature of each such identity of interest. The Parent of Operator certifies that, to the best of its knowledge, its answer to each of the questions in this Part and the information in any such attached sheets is true and correct.

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**Part VII. Previous Participation**

- Parent of the Operator HAS completed an electronic Previous Participation certification via the Active Partners Performance System (APPS), and is proceeding to Section VIII.
- Parent of the Operator has NOT completed an electronic submission, and must complete this Section VII certification.

The Parent of the Operator certifies that:

- It has NO Previous Participation in Office of Residential Care Facilities (ORCF) or Multifamily Housing programs of HUD, USDA FmHA, State, or Local Housing Finance Agencies.
- It DOES have Previous Participation as a Principal in ORCF or Multifamily Housing programs of HUD, USDA FmHA, State, or Local Housing Finance Agencies as listed on Attachments 1 and 2 (included with this certification).

**Certifications:** Parent of the Operator hereby certifies that neither the Parent nor any of its Principals or affiliates have ever been found to be in noncompliance with any applicable fair housing and civil rights requirements in 24 CFR 5.105 (a), except as disclosed to HUD in an attached signed statement explaining the relevant facts, circumstances, and resolution, if any. All the statements made in this certification and in any attachments hereto are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in *Schedule of Previous Participation in FHA Insured & Other Government Agency Facilities* and Exhibits signed and attached to this form. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

Parent of the Operator further certifies that:

1. Parent of the Operator's organizational chart, in such detail as approved by HUD, including participation role, ownership percentage, and SSN/TIN, is attached hereto ("Organizational Chart"). This Organizational Chart lists all Principals of Principal, as defined in 24 CFR 200.215 or otherwise required by HUD.
2. The *Schedule of Previous Participation in FHA Insured & Other Government Agency Facilities* attached hereto contains a listing of every assisted or insured project of HUD, USDA FmHA and state and local government housing finance agencies in which Principals of the Parent of Operator have been or are now Principals.
3. For the period beginning 10 years prior to the date of this certification, and except as shown on the certification:

- a. No mortgage on a project listed on the attached schedule has ever been in default, assigned to the government or foreclosed, nor has mortgage relief by the mortgagee been given.
  - b. Neither Parent of the Operator nor any of its Principals has not experienced defaults or non-compliance under any Conventional Contract or Turnkey Contract of Sale in connection with a public housing project.
  - c. To the best of Parent of the Operator's knowledge, there are no unresolved findings raised as a result of HUD audits, management reviews or other governmental investigations concerning any of its or any of its Principals' projects.
  - d. There has not been a suspension or termination of payments under any HUD assistance contract in which the Parent of Operator nor any of its Principals has had a legal or beneficial interest.
  - e. Neither Parent of the Operator nor any of its Principals has been convicted of a felony and nor is presently, to its knowledge, the subject of complaint or indictment charging a felony. (A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less).
  - f. Neither Parent of the Operator nor any of its Principals has been suspended, debarred or otherwise restricted by any department or agency of the federal government or of a state government from doing business with such department or agency.
  - g. Neither Parent of the Operator nor any of its Principals has defaulted on an obligation covered by a surety or performance bond and have not been the subject of a claim under an employee fidelity bond.
4. All the names of the parties, known to me to be Principals in this project(s) in which I propose to participate, are listed above or on the attached organizational chart.
  5. Neither Parent of the Operator nor any of its Principals is a HUD/FmHA employee or a member of a HUD/FmHA employee's immediate household as defined in Standards of Ethical Conduct for Employees of the Executive Branch in 5 C.F.R. Part 2635 (57 FR 35006) and HUD's Standard of Conduct in 24 C.F.R. Part 0 and USDA's Standard of Conduct in 7 C.F.R. Part 0 Subpart B.
  6. Neither Parent of the Operator nor any of its Principals is a Principal participant in an assisted or insured project as of this date on which construction has stopped for a period in excess of 20 days or which has been substantially completed for more than 90 days and documents for closing, including final cost certification have not been filed with HUD or FmHA.

7. To its knowledge neither Parent of the Operator nor any of its Principals has been found by HUD or FmHA to be in noncompliance with any applicable fair housing and civil rights requirements in 24 CFR 5.105 (a).
8. Neither Parent of the Operator nor any of its Principals is a member of Congress or a Resident Commissioner nor otherwise prohibited or limited by law from contracting with the government of the United States of America.

Statements above (if any) to which the Parent of the Operator cannot certify have been deleted by striking through the words. An authorized representative of Parent of the Operator has initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances that I think helps to qualify me as a responsible Principal for participation in this project.

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### **Part VIII. Certain HUD Mortgage Insurance Program Requirements**

The Parent of the Operator acknowledges the following requirements of the HUD mortgage insurance program.

1. Accounts receivable financing related to the project is restricted and must conform to HUD requirements.
2. Professional liability insurance coverage must be maintained at a level and by an insurer acceptable to HUD.

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### **Part IX. Other Business Concerns**

The Parent of the Operator certifies that it:

- Does NOT participate as a Principal in any other businesses.  
 DOES participate as a Principal in the businesses listed on Attachment 2.

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### **Part X. Other Section 232 Applications**

With regard to mortgage insurance under HUD's Section 232 programs, the Parent of the Operator certifies that within the last and next 18 months:

- It HAS not applied and does NOT intend to apply, with the exception of this application.  
 IT HAS applied or INTENDS to apply for mortgage insurance for the facilities listed on Attachment 3.

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**Part XI. Signatures**

The Parent of the Operator has read and agrees to comply with the provisions of the above certifications for the purpose of obtaining mortgage insurance under the National Housing Act.

Parent of the Operator hereby certifies that the statements and representations contained in this instrument and all supporting documentation thereto are true, accurate, and complete and that each signatory has read and understands the terms of this agreement. This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring the loan, and may be relied upon by HUD as a true statement of the facts contained therein.

[The individual signing below on behalf of the Parent of the Operator certifies that he/she is an authorized representative of the Parent of Operator and has sufficient knowledge to make these certifications on behalf of the Parent.]

Executed this <<enter date>> day of <<enter month>>, <<enter year>>.

**Parent of Operator:** <<enter Parent's name here>>

By: \_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
<<enter name and title of authorized representative here>>  
(Printed Name & Title)

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## Bibliography

- Part I
- A. **Section 232:** The Section 232 Program is authorized by Section 232 of the National Housing Act (12 U.S.C. 1715w), (12 U.S.C. 1715(b)) and 42 U.S.C. 3535. Statutory authority for the implementation of the Section 232 programs is contained in the basic insuring authority for each of the Section 232 programs. See the National Housing Act, Sections 223(a)(7), 232, 223(d), 232/223(f), and 241. Additionally, Section 211 of the National Housing Act authorizes and directs the Secretary to make such rules and regulations as may be necessary to carry out the provisions of the Act. Regulatory authority includes 24 CFR Parts 232, 200 and Section 5.801.
  - B. **Section 232/223(f):** Section 223(f) of the National Housing Act was added by Section 311(a) of the Housing and Community Development Act of 1974. The program regulations are found in 24 CFR, Parts 200 and 232.
  - C. **Section 232/223(a)(7):** The Section 232/223(a)(7) program is authorized by the National Housing Act (12 USC 1715n(a)(7)).
  - D. **Section 232/241(a):** The Section 232/241(a) program is authorized under the National Housing Act, as amended, Section 241, Public Law 90-448 (12 U.S.C. 1715) and Public Law 94-375 (12 U.S.C. 1715z-6). The program regulations are found in 24 CFR Parts 200 and 241.
  - E. **Section 223(d):** The Section 223(d) Operating Loss Loan program is authorized by Section 223(d) (12 U.S.C. 1715n) of the National Housing Act 1937, as amended; Public Law 90-448, as amended; and Public Law 91-152, 12 U.S.C. 1715x. The program regulations are found in 24 CFR 207.
  - F. **Section 232 (i):** The Section 232(i) program is authorized under the National Housing Act (12 U.S.C. 1715 w) as amended; Section 203(i) Public Law 93-204. The program regulations are found in 24 CFR Part 232 Subpart C.
- Part III Section 1352, Title 31, U.S. Code.

**Attachment 1 to Parent of the Operator’s Consolidated Certifications:  
 Schedule of Previous Participation in HUD Insured & Other Government Agency  
 Projects/Facilities**

Project/Facility (name, location)	Roles in Project/Facility	Loan Status
<b>Name of Facility</b> City, State	Role in Project/Facility (describe):  Dates Participated in Project/Facility to  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> HUD FHA Number:  <input type="checkbox"/> Gov’t Agency Financing other than HUD (indicate):  <u>Loan Status during participation:</u> <input type="checkbox"/> Current <input type="checkbox"/> Default Assignment <input type="checkbox"/> Foreclosed
<b>Name of Facility</b> City, State	Role in Project/Facility (describe):  Dates Participated in Project/Facility to  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> HUD FHA Number:  <input type="checkbox"/> Gov’t Agency Financing other than HUD (indicate):  <u>Loan Status during participation:</u> <input type="checkbox"/> Current <input type="checkbox"/> Default Assignment <input type="checkbox"/> Foreclosed
<b>Name of Facility</b> City, State	Role in Project/Facility (describe):  Dates Participated in Project/Facility to  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> HUD FHA Number:  <input type="checkbox"/> Gov’t Agency Financing other than HUD (indicate):  <u>Loan Status during participation:</u> <input type="checkbox"/> Current <input type="checkbox"/> Default Assignment <input type="checkbox"/> Foreclosed
<b>Name of Facility</b> City, State	Role in Project/Facility (describe):  Dates Participated in Project/Facility to  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> HUD FHA Number:  <input type="checkbox"/> Gov’t Agency Financing other than HUD (indicate):  <u>Loan Status during participation:</u> <input type="checkbox"/> Current <input type="checkbox"/> Default Assignment <input type="checkbox"/> Foreclosed

Additional pages attached.

**Attachment 2 to Parent of the Operator Consolidated Certifications  
Listing of Other Business Concerns**

*(Note: Projects/Facilities listed on Attachment 1 are not required to be listed again on Attachment 2)*

For <<enter Parent's name here>>

Entity (name & address)	Participation	Other Information (Attach a detailed explanation on a separate sheet for any box not checked)
<b>Name of Business Entity</b>	Managing Member  % ownership <input type="checkbox"/> Real Estate <input type="checkbox"/> Non-Real Estate  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> No Pending bankruptcy claims <input type="checkbox"/> No Pending judgments <input type="checkbox"/> No Pending legal actions or suits  <input type="checkbox"/> Additional explanation sheet attached.
<b>Name of Business Entity</b>	Managing Member  % ownership <input type="checkbox"/> Real Estate <input type="checkbox"/> Non-Real Estate  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> No Pending bankruptcy claims <input type="checkbox"/> No Pending judgments <input type="checkbox"/> No Pending legal actions or suits  <input type="checkbox"/> Additional explanation sheet attached.
<b>Name of Business Entity</b>	Managing Member  % ownership <input type="checkbox"/> Real Estate <input type="checkbox"/> Non-Real Estate  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> No Pending bankruptcy claims <input type="checkbox"/> No Pending judgments <input type="checkbox"/> No Pending legal actions or suits  <input type="checkbox"/> Additional explanation sheet attached.
<b>Name of Business Entity</b>	Managing Member  % ownership <input type="checkbox"/> Real Estate <input type="checkbox"/> Non-Real Estate  Healthcare Facility YES <input type="checkbox"/> NO <input type="checkbox"/>	<input type="checkbox"/> No Pending bankruptcy claims <input type="checkbox"/> No Pending judgments <input type="checkbox"/> No Pending legal actions or suits  <input type="checkbox"/> Additional explanation sheet attached.
Reportable participation is as follows: (1) a general partner or managing member, regardless of interest; (2) a limited partner or member of an LLC with 25% or more interest; (3) a stockholder with 10% or more interest in a corporation; and/or (3) corporate officers, regardless of interest  <<enter instructions here>>		

**Attachment 3 to Parent of the Operator Consolidated Certifications  
Other Section 232 Applications**

For: Parent of Operator <<enter Parent's name here>>

Facility (name, address)	Other Information (provide estimated submission dates, if necessary)	
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<b>Name of Facility</b> Address Line 1 Address Line 2	Submission Date: App. Status: FHA Number:	Lender: Loan Amount: Primary Role:
<<enter instructions in this box if applicable>>		

Additional pages attached.