

**Application for Insurance of  
Advance of Mortgage Proceeds  
Section 242**

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

OMB Approval No. 2502-0602  
(Exp. 05/31/2015)

**Public reporting burden** for this collection of information is estimated to average .25 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. The form is used by borrowers for funds expended or obligated for construction related items; by lenders to request mortgage insurance for funds so advanced. The information will be used by the Department to as its certificate of mortgage insurance for funds it approves for advance. This is a requirement under Section 207, 213, 220, 221, 231, 232, 234(d), 236, 241, 242 and 810 of the National Housing Act, P.L. 479 48 Stat. 1246 U.S.C. et. seq. Furnishing of this information is required to obtain benefits, and failure to provide it may result in your not receiving your benefits.

**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 no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

|                  |                 |                 |
|------------------|-----------------|-----------------|
| Name of Project: | Project Number: | Advance Number: |
|------------------|-----------------|-----------------|

**Request for Payment**

**Instructions to Borrower:** This request is to be submitted to your lender in duplicate. All items requested shall be clearly identified by description. No item shall be applied for until payment is due. A request covering construction cost shall show one entry for the total payment requested to meet the net amount due according to the Contractor's Requisition (form HUD-92448) attached hereto. The request for the first payment on account of the Architect's cash fee shall be accompanied by the Borrower's and Architect's Certificate (form HUD-92403.1) attached hereto.

**To Lender:** The undersigned borrower hereby requests the lender identified below to advance funds as provided for by the Building Loan Agreement heretofore executed on (mm/dd/yyyy) \_\_\_\_\_ as indicated by the total amount of the individual payments set forth in the schedule below.

| Item Number and Description                           | (A) Amount Claimed | (B) HUD-Approved Amt. |
|---|--------------------|-----------------------|
| 1. Construction cost per form HUD-92448-OHF           | \$                 | \$                    |
| 2. Interest from (mm/dd/yyyy) ( ) to (mm/dd/yyyy) ( ) | \$                 | \$                    |
| 3. Architect's Fee                                    | \$                 | \$                    |
| 4.  | \$                 | \$                    |
| 5.  | \$                 | \$                    |
| 6.  | \$                 | \$                    |
| 7.  | \$                 | \$                    |
| 8.  | \$                 | \$                    |
| 9.  | \$                 | \$                    |
| 10.   | \$                 | \$                    |
| 11.   | \$                 | \$                    |
| 12.   | \$                 | \$                    |
| 13.   | \$                 | \$                    |
| 14.   | \$                 | \$                    |
| 15.   | \$                 | \$                    |
| <b>Total Due on This Requisition</b>                  | <b>\$</b>          | <b>\$</b>             |

The undersigned hereby certifies that all of the above items have been paid or will be paid within five (5) days of receipt of the requisitioned funds. We hand you herewith full supporting invoices and/or receipts, as required, covering such items enumerated, to be forwarded with this request to HUD for review. With respect to any item of interest enumerated above, we herewith authorize you to advance same and charge our account therewith. The undersigned further certifies that all prior work, labor, and materials to be paid for under this request are satisfactory and are in accordance with the contract drawings.

|                   |                                      |                   |
|-------------------|--------------------------------------|-------------------|
| Name of Borrower: | By: Signature of Authorized Official | Date (mm/dd/yyyy) |
|-------------------|--------------------------------------|-------------------|

**For Use by Lender**

**Instructions:** This request is to be submitted to HUD in duplicate (original and copy must be signed).

**To HUD:** To the best of our knowledge, information and belief, the sum requested above is now payable. We intend to disburse said sum within five (5) days following the date of your approval. \$ \_\_\_\_\_ will be advanced from mortgage proceeds; and the undersigned, therefore, requests that you issue a certificate approving the amount of such advance for mortgage insurance. The undersigned certifies that hazard insurance as required by the Department of Housing and Urban Development is in full force and effect upon whatever improvements are now upon the mortgage premises including, but not limited to, materials stored on the site for which an advance is being requested. You are further advised that after the payment herein first mentioned is made, a total sum of \$ \_\_\_\_\_ will have been disbursed from mortgage proceeds and that the total sum of \$ \_\_\_\_\_ will have been disbursed from the mortgagor's cash escrow funds required, if any, over mortgage proceeds to complete the project.

**Warning:** Federal law provides that anyone who knowingly or willfully submits (or causes to submit) a document containing any false, fictitious, misleading, or fraudulent statement/certification or entry may be criminally prosecuted and may incur civil administrative liability. Penalties upon conviction can include a fine and imprisonment, as provided pursuant to applicable law, which includes, but is not limited to, 18 U.S.C. 1001, 1010, 1012; 13 U.S.C. 3729, 3802, 24 C.F.R. Parts 25, 28 and 30, and 2 C.F.R. Parts 180 and 2424.

|                 |                                      |                   |
|-----------------|--------------------------------------|-------------------|
| Name of Lender: | By: Signature of Authorized Official | Date (mm/dd/yyyy) |
|-----------------|--------------------------------------|-------------------|

**Certificate of Mortgage Insurance (For Use by HUD)**

**To Above Lender:** You are hereby notified that the amounts shown in Column (B) above have been approved for advance in accordance with the provisions of the Building Loan Agreement applicable to the project. Of the above total, \$ \_\_\_\_\_ is hereby approved for mortgage insurance if advanced by you from mortgage proceeds in accordance with the above request, and this amount, when advanced, will thereupon constitute principal of that certain mortgage dated (mm/dd/yyyy) \_\_\_\_\_ ; signed by the above named borrower and covering the subject project, which mortgage has been endorsed by the undersigned for insurance to the extent of advances approved by the Federal Housing Commissioner and this certificate does hereby constitute the approval of the Federal Housing Commissioner for mortgage insurance under Section \_\_\_\_\_ of the National Housing Act and Regulations thereunder for the amount set forth herein, within the meaning of the aforesaid contract of insurance evidenced by such endorsement; provided, that if the above advance constitutes the final advance to be made under the terms of said Building Loan Agreement, this advance shall not be considered insured nor shall the original credit instrument be finally endorsed for insurance unless said instrument is first presented to HUD together with an original and two (2) conformed copies of a Request for Final Endorsement of Credit Instrument (form HUD-92023-OHF) completed and executed by both Borrower and Lender, and if there are any items of construction still incomplete, as per attached list, the sum of \$ \_\_\_\_\_ shall have been placed in escrow under the provisions of an Escrow Deposit Agreement.

**Explanation of Disallowed Amounts:** (Attach additional sheets if required.)

|                          |  |                   |
|--------------------------|--|-------------------|
| Mortgage Credit Examiner | By: Signature of Authorized HUD Official | Date (mm/dd/yyyy) |
|--------------------------|--|-------------------|