

SINGLE CLOSE 184A APPLICANT ACKNOWLEDGEMENT

I/We, the undersigned, do hereby acknowledge and understand that at the time of loan closing of the HUD 184A Guaranteed Construction/Permanent Loan, for which I/we have applied to _____ (lender), all the proceeds designated for the construction in the amount of \$_____ (received from the borrower/loan proceeds), are to be placed in an interest bearing escrow account. If there are remaining construction funds in the Construction Escrow Account after the Final Release is processed, _____ (lender) must apply those funds in accordance with the 184A Program Guidelines.

I/We hereby request that _____ (lender), after final inspection is satisfactorily complete and the final release has been processed, apply the net income (interest) earned by the Construction Escrow Account accordingly:

- ☐ Pay the net interest income directly to me/us.
- ☐ Apply the net interest income directly to the mortgage principal balance for an equal amount of principal reduction.
- ☐ Other: _____

This account is not, nor shall it be treated as an escrow for the paying of real estate taxes, insurance premiums, delinquent notes, ground rents, or assessments.

I/We further acknowledge, that if required to protect the priority of the Security Instrument, that _____ (lender) may retain the holdback, for a period not to exceed 35 days (or the time period required by law to file a lien, whichever is longer), to ensure compliance with state lien waiver laws or other state requirements. A copy of the final inspection report and Final Release Notice will be provided to me/us.

I/We further understand that the Appraiser and Inspector's obligation is to assist the lender in determining the eligibility of the property for HUD loan guarantee purposes only and that I/we are responsible to determine the soundness of the property before and after construction, including value, cost estimates and the ability of the contractor to complete the construction in a satisfactory workman like manner in compliance with all accepted exhibits and local codes and ordinances.

Borrower Signature

Date

Borrower Signature

Date

Privacy Act Statement. This statement is provided pursuant to the Privacy Act of 1974, 5 USC § 552a. The authority for collecting personally identifiable information (PII) in the Regulatory Consistency Communication Board (RCCB) Electronic Feedback Form is based in Section 313 of Public Law 112-95.

Public reporting burden for this collection of information is estimated to average .15 hours per response, including the time for reviewing instructions, searching existing data sources, gather and maintaining the data needed, and completing and reviewing the collection of information. HUD 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 required in order for an eligible homebuyer to obtain a benefit and for HUD to administer the Loan Guarantee Program for low-income Native Americans, Alaska Natives, and native Hawaiians (24 CFR Parts 1000 and 6000). The requested information is necessary to determine the income and credit worthiness of low income homebuyers. If HUD did not collect this information, it would prevent HUD from guaranteeing mortgages to eligible homebuyers. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.
