

# Insurance Termination Request for Multifamily Mortgage

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

OMB Approval No. 2502-0416  
(exp. 10/31/2015)

**Applicant must read all of the Instructions on back before completing this form**

1. Type of Request (Place an X in those that apply)

**Full Insurance**

- Prepayment Termination: Mortgage is paid in full and original credit instrument is canceled.
- Voluntary Termination: Attach the original credit instrument for cancellation of insurance endorsement.

**Co-Insurance**

- Date Deed Recorded, (mm/dd/yyyy) \_\_\_\_\_
- Mortgagee intends to file a claim
- Mortgagee does not intend to file a claim
- Prepayment Termination - Mortgage Paid in Full
- Voluntary Termination-Attach credit instrument
- Mortgagor Redeems Property After Foreclosure
- 3rd Party Acquires Property At Foreclosure Sale

2. Date of This Request (mm/dd/yyyy)	3. FHA Project Number	4. Mortgagee's Loan No. (if any)															
5. Date of Prepayment in Full, if applicable (mm/dd/yyyy)	6. Original Amount of Mortgage	7. Maturity Date (mm/dd/yyyy)															
8. The following items are attached, or the statements are applicable: <input type="checkbox"/> Certified or cashier's check for \$100 for redemption of the preferred stock issued to FHA/HUD by the mortgagor corporation plus any due and unpaid dividends. <input type="checkbox"/> Original Credit Instrument. See Item 1, above. <input type="checkbox"/> Prior Approval to Terminate, if required (See reverse)		9. Program Information. Check a Yes or No on each of the following: <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">Yes</td> <td style="text-align: center;">No</td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Nonprofit</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Receiving Rent Supplement</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Receiving Section 8 Payments</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Limited Distribution</td> </tr> </table>	Yes	No		<input type="checkbox"/>	<input type="checkbox"/>	Nonprofit	<input type="checkbox"/>	<input type="checkbox"/>	Receiving Rent Supplement	<input type="checkbox"/>	<input type="checkbox"/>	Receiving Section 8 Payments	<input type="checkbox"/>	<input type="checkbox"/>	Limited Distribution
Yes	No																
<input type="checkbox"/>	<input type="checkbox"/>	Nonprofit															
<input type="checkbox"/>	<input type="checkbox"/>	Receiving Rent Supplement															
<input type="checkbox"/>	<input type="checkbox"/>	Receiving Section 8 Payments															
<input type="checkbox"/>	<input type="checkbox"/>	Limited Distribution															

Certifications:  I certify that no dividends are due.  I certify that the amount remitted with this form is the full amount due.

The undersigned certifies that the information shown above is true and correct, and the undersigned agrees that upon request dHUD it will furnish documents to support the responses shown above.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 10 10, 1012; 31 U.S.C. 3729, 3802)

10. Name and Signature of Mortgagors (Complete only if this is a voluntary termination.) (If corporate, give name of corporation and title of authorized officer who signs.)	11. Project Name
12. HUD Holding Mortgagee Number (To be completed in all instances)	13. HUD Servicing Mortgagee Number (To be completed only if submitted by servicer)
14. Name, Address and Zip Code of Holding Mortgagee (To be completed in all instances)	15. Name, Address and Zip Code of Mortgagee's Servicer (To be completed only if submitted by servicer)
16. Signature of Holding Mortgagee's Authorized Representative	17. Signature of Servicing Mortgagee's Authorized Officer
Title of Holding Mortgagee's Authorized Representative	Title of Servicing Mortgagee's Authorized Officer

**For HUD Use Only:** The contract of insurance, as identified above, has been terminated in accordance with this request and HUD regulations.

- The original document, showing cancellation of the HUD insurance endorsement, is attached.
- A refund of unearned insurance premium in the amount of \$ \_\_\_\_\_ has been authorized for the account of the mortgagor and a U.S. Treasury check will be sent to your office. This refund and any HUD premium held in escrow may be credited or returned to the borrower.

Date Document Received (mm/dd/yyyy)	Effective Date of Termination (mm/dd/yyyy)	Signature of Designated HUD Official	Date (mm/dd/yyyy)
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## Instructions

- Step 1.** If the property has 221(d)(4), 231(profit motivated mortgagor) or 213 mortgage insurance, proceed to Step 4.
- Step 2.** If the property is subject to HUD insured or HUD held subordinate debt, the debt must be fully satisfied before prepayment of the first mortgage or termination of the mortgage insurance will occur. Such insurance programs include 241(a), 241(f), or Partial Payment of Claim. Proceed to Step 3.
- Step 3.** If requesting prepayment of the property's mortgage, and HUD consent is required by the mortgage documents and/or the regulations or not, you must; (Prior to submitting form HUD-9807)
- A.** Look at the list of the following programs on HUD web site \_\_\_\_\_ which have received a:
- (1) Flexible subsidy or Help Loans. While as a general rule, HUD consent is required for prepayment, there are cases where the mortgage note is silent. In those cases, consult the Office of Portfolio Management in Headquarters.
  - (2) Rent Supplement Contract.
  - (3) Partial Payment of Claim.
  - (4) Portfolio Reengineering.
- B.** Not on the web site list but also requiring prior approval of HUD are:
- (1) Section 231, 232, 236 or 221(d)(3) properties;
    - a. That are not more than 20 years from the date of final endorsement,
    - b. Originally owned by non-profits due to their 40 year lock-in restriction, or
    - c. Originally an LD and sold to NP.
    - d. Not Required: This component is voluntary.  
For prepayment of an FHA-insured or HUD-held Section 236 mortgage, property owners are strongly encouraged to electronically submit an optional HUD Section 236 Consolidated Application Package (attached) to describe proposed preservation transactions, request HUD approvals, and upload support documents via [www.hudmfpreservation.net](http://www.hudmfpreservation.net).
  - (2) Section 207/223(f).
    - a. According to the 223(f)(3) of the National Housing Act, five years must have elapsed since the date of final endorsement, or
    - b. If purchased by GNMA pursuant to Section 305 of the National Housing Act, 20 years must have elapsed since the date of final endorsement.
- C.** If the property is in any of the above categories, and has not received HUD consent, it is not eligible to prepay and **no further action can occur**. Proceed no further.
- D.** If the property is not one of the categories listed above, **it may or may not be eligible** to prepay and you are to submit the following information to the address below:
- (1) A written request for prepayment
  - (2) A copy of the mortgage note(s), rider(s) and agendums
  - (3) Owner's requested prepayment date, if known
  - (4) A written statement that a copy of the above information has been sent to the HUD Field Office with jurisdiction for the property.

**U.S. Department of HUD**  
**Office of Multifamily Portfolio Management, Room 6160**  
**451 Seventh Street, S.W.**  
**Washington, D.C., 20410**

- E.** Upon receipt of the above information, the Office of Multifamily Portfolio Management in Washington, D.C. will review it and respond in writing, either approving, disapproving or with conditions, the request to prepay. This approval is good for a period of ninety days.
- Step 4.** Before completing this step, be sure that:
- A.** All amounts due HUD, including mortgage insurance premiums and/or late charges and interest, are paid up to date.
  - B.** You meet the criteria under step 1 or 2, or you received approval to prepay under step 3, from the Office of Portfolio Management-Headquarters, and
  - C. Prepayment has actually taken place.** Once prepayment has occurred, you are to submit the following information to the address or fax number listed below:
    - (1) Insurance Termination Request for Multifamily Mortgage, Form HUD-9807, properly executed and signed by a corporate officer.
    - (2) Copy of Portfolio Management's approval letter.
    - (3) Copy of the property's mortgage note(s), rider(s), and agendums.
    - (4) If FHA/HUD owns preferred stock of the mortgagor corporation, a certified or cashiers check made payable to the U.S. Department of Housing and Urban Development for \$100 plus due and unpaid dividends should accompany the correspondence.
    - (5) For Voluntary termination only, the **original credit instrument** must be submitted to the address below for cancellation of the HUD insurance endorsement. **Both the servicer and mortgagor must sign the form-9807**

**U.S. Department of HUD**  
**Insurance Operations Branch**  
**P.O. Box 44124**  
**Washington, D.C. 20026-4124**

**Or, by Fax: (202) 401-3246**

- Step 5.** After the contract of mortgage insurance has been terminated by HUD, a signed copy of the Form HUD-9807, together with a letter indicating whether a refund is due the mortgagor or funds are due HUD, will be returned to the mortgagee.
- For a voluntary termination, cancellation of the HUD insurance endorsement will be effective on **the date all requirements are met**. The original credit instrument that was submitted will be returned to the mortgagee by Certified/Overnight Mail.

**Public reporting burden** for this collection of information is estimated to average 7 minutes 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 and is mandatory. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. Anyone with comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing this burden, may call Field Asset Management Division (202) 708-3730.

Section 24 CFR 207.253(a) and (b) states that notice of the prepayment of the mortgage or loan shall be given to the Commissioner on a form prescribed by the Commissioner within 30 days from the date of the prepayment. The Section also states that the original credit instrument for cancellation of the insurance endorsement and the remittance of all sums to which the Commissioner is entitled shall accompany this form. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

## Instructions for Section 236 Application

This Application is designed for the following types of Section 236 transactions:

**236 Mortgage Prepayments**

**Flexible Subsidy Deferral**

**HAP Assumptions**

**Unit Rent Increases**

**Nonprofit Retention of Sales Proceeds**

**IRP Decouplings and Re-decouplings**

**Tenant Protection Vouchers**

**LIHPRHA Use Agreement Modifications**

**Unit Conversions**

Other types of approvals (for example, partial payments of claim and modifications to HUD-Held Section 236 loans) should be discussed with the multifamily field office with jurisdiction over the project.

Applications for new FHA-insured financing for Section 236 transactions will continue to be made through your FHA lender and the Multifamily Office of Asset Development.

HUD has designed this Application to facilitate the efficient assembly and submission of the appropriate information and related documentation to HUD. Applicants are strongly encouraged to use this tool to describe proposed preservation transactions, request HUD approvals, and upload support documents. While HUD does not require applicants to use this tool, this tool meets HUD's electronic submission requirement while also providing applicants with one central portal through which to submit all required documentation that is currently collected under established Paperwork Reduction Act (PRA) approval numbers. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control numbers 2502-0416, 2502-0572, and 2502-0577. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Cells with light blue background and dark blue font contain information to be supplied by applicants. Some of these cells contain drop-down menus; if a small down-pointing arrow appears to the right of the cell when you hold the mouse over the cell, you can click on that arrow to bring up a menu of choices.

If you place your mouse over a '?' in column A you will see additional information that may be helpful.

User entry cells that stretch the width of the form are designed to contain brief narrative responses. If your response is longer than can be displayed, you can extend the row height. Move the mouse to the horizontal line underneath the row number, click, and drag the bottom of the row downward until the row is tall enough to display your complete response.

### Simple Transactions Combining Prepayment and Conversion to Market Rents (No Ongoing Affordability)

If (1) you are proposing to prepay your 236 mortgage and (2) you have the right to prepay without requiring a discretionary approval from HUD and (3) you don't have any other components in your transaction that require HUD's approval with the exception of requesting tenant protection vouchers, then you will only be required to complete four Sections of the Application.

### Other Transactions ("Preservation Transactions")

If you are proposing to prepay your 236 mortgage and seek HUD's approval on other components of your transaction, regardless of whether or not HUD's approval to prepay is required, you will be required to complete only those Sections of the Application that pertain to the approvals you are seeking.

A	B	C	D	E	F	G	H	I	
1	Version 2A February 1, 2014	<b>Office of Affordable Housing Preservation</b>							
2	<b>Section 236 Application</b>								
3									
4									
5	<i>See the Instructions worksheet for general instructions.</i>								
6	<i>Below, text in italics contains instructions, guidance or explanations. Cells in dark blue bold font with light blue background are for information that you will enter. If you place your mouse over a '?' in column A you will see additional information that may be helpful.</i>								
7	<i>When you have finished, the List of Exhibits worksheet will show all Exhibits that your transaction requires.</i>								
8	<i>To begin, complete Section 1 below. Section 1 will capture key information about the transaction, the property and its Section 236 loan. Later you will be asked to return here to click the 'Reveal Remaining Sections' radio button which will reveal any other parts of the Application that apply to your transaction.</i>								
9									
10	<b>Section 1. Transaction Overview</b>								
11									
12	<b>Section 1.A. Key Information</b>								
13									
14	Date This Document Was Completed:								
15									
16	Property Name								
17									
18	<i>Transaction: Select the transaction type below that best characterizes the intended outcome of your proposed transaction.</i>								
19									
20	<b>"Preservation of Affordability"</b> means that you seek to preserve this property as an affordable multifamily housing resource and to extend its useful life by strengthening its financial position and overall physical condition.								
21	<b>"Conversion"</b> means that you seek to prepay the existing Section 236 loan as a means to eliminating the existing affordability restrictions and to converting the units to market-based rents.								
22	Transaction Type								
23	The first mortgage loan is currently:								
24	FHA Number								
25	Physical Address (Street)								
26	Physical Address (City, State, Zip)								
27									
28	Is this project a tenant co-operative?								
29									
30	Current Owner Legal Entity Name								
31	Contact Person								
32	Email address								
33	Telephone								
34	Title								
35	Mailing Address (Street)								
36	Mailing Address (City, State, Zip)								
37									
38	? Estimated maturity date:								
39									
40	Anticipated Closing Date								
41	<i>If it is not possible to achieve the Anticipated Closing Date, explain the potential consequences for the transaction if closing is delayed.</i>								
42									
43									
44	Is a sale of the property proposed, as part of this transaction?								
45									
46	<i>Identify the mortgagee (lender) for the existing first mortgage loan. If the existing first mortgage loan is HUD-Held, enter "HUD-Held" on the first line below and leave the remaining lines blank.</i>								
47	Mortgagee (Lender) Name								
48	Contact Person								

A	B	C	D	E	F	G	H	I
1	Version 2A February 1, 2014	<b>Office of Affordable Housing Preservation</b>						
2	<b>Section 236 Application</b>							
3								
49	Email address							
50	Telephone							
51	Title							
52	Mailing Address (Street)							
53	Mailing Address (City, State, Zip)							
54								
55	<b>Section 1.B. Existing Use Agreements</b>							
56								
57	<i>If the property has any of the following Use Agreements, indicate the type(s) of Use Agreement below.</i>							
58	ELIHPA Use Agreement?							
59	LIHPRHA Use Agreement?							
60	Flexible Subsidy Use Agreement?							
61	IRP (Decoupling) Use Agreement?							
62	LIHTC Use Agreement or LURA?							
63	Mark-to-Market Use Agreement?							
64	Portfolio Re-Engineering Use Agr?							
65	Partial Payment of Claim Use Agr?							
66	Other Use Agreement?							
67	<i>Please indicate any other subsidy programs that are currently in effect at the property.</i>							
68								
69								
70								
71	<b>Section 1.C. Summary Information on Project-Based Rental Assistance Contracts</b>							
72								
73	<i>Please indicate each existing project-based rental assistance contract. This might include Section 8 Loan Management Set-Aside ("S8 LMSA") contracts, Rental Assistance Payments ("RAP") contracts, and/or Rent Supplement contracts. The term "# Units" means the number of units assisted under the contract.</i>							
74	<b>Contract Number</b>	<b>Type</b>	<b># Units</b>	<b>Expires</b>				
75								
76								
77								
78								
79								
80								
81								
82								
83								
84	<b>Section 1.D. Summary Information on Unit Mix, Occupancy and Vacancy</b>							
85								
86	<i>Please provide information about the unit mix for the property. The Term "# Units" means the <u>total</u> number of units of this type (whether occupied or vacant, assisted or non-assisted). "Contract Units" means units with project based rental assistance (project based Section 8, project based vouchers, RAP, Rent Supplement). "Occupied" means the actual number of units that are currently leased to tenants. "Average vacancy" means the average vacancy rate for this unit type over the past twelve months.</i>							
87								
88	<b>Unit Type</b>	<b># Units</b>	<b>Contract Units</b>	<b>Occupied</b>	<b>Avg Vacancy</b>			
89	0 Bedroom / Efficiency							
90	1 Bedroom							
91	2 Bedroom							
92	3 Bedroom							
93	4 Bedroom							
94	Other							
95	Other							
96	Other							
97								
98	Total number of units	0	0	0	0.0%			
99								
100								

	A	B	C	D	E	F	G	H	I
1	Version 2A February 1, 2014		<b>Office of Affordable Housing Preservation</b>						
2	<b>Section 236 Application</b>								
3									
101	<i>Section 1.E. Key Transaction Characteristics and Types of HUD Approvals Needed</i>								
102									
103	<i>Indicate the features of your proposed transaction and the types of HUD approvals you are requesting:</i>								
104									
105	?	Prepay Insured or HUD-Held 236 Loan	Yes	See Section 3					
106	?	Prepay Non-Insured State Agency 236 loan	No						
107	?	Decouple the Remaining IRPs							
108	?	Modify a Decoupling Approval							
109	?	Issue Tenant Protection Vouchers							
110	?	Defer Repayment of Flex Sub Loan							
111	?	Increase in HAP Rents							
112	?	Increase in Non-HAP Rents							
113	?	Approve Proceeds to Nonprofit Seller							
114	?	Modify a LIHPRHA Use Agreement							
115	?	Unit Conversion (e.g., OBRs to 1BRs)							
116		Assumption of HAP Contract(s)							
117	?	Assumption of RAP Contract							
118	?	Assumption of Rent Supp Contract							
119		Any Other HUD Approval							
120									
121									
122									
123	<i>Please indicate whether the property has filed an application to participate in the Rental Assistance Demonstration ("RAD") program, to convert an existing RAP or Rent Supplement contract to project based vouchers.</i>								
124		Applied for RAD?							
125									
	<i>This completes Section 1. You must now click the radio button below titled 'Reveal Remaining Sections'. This will reveal any remaining portions of the Questionnaire that are required for your proposed transaction. Section 2 includes questions that apply to multiple types of approvals. Sections 3 through 12 each apply to a specific type of approval. If you later make a change in Section 1, click the 'Reveal Remaining Sections' button one more time.</i>								
126									
127	<input type="button" value="Reveal Remaining Sections"/>								
128									
129									

**Master List of Exhibits Required for  
, 0 Units  
Current FHA**

Required?	Exhibit #	Exhibit Name
<b>General Exhibits</b>		
Yes	01-01	Section 236 Application
N/A		Complete the Financial Exhibits Worksheet
N/A		Complete, Copy and Sign the Cert of Finl Exhibits Worksheet
N/A	01-02	Consent of Owner to Release Information to Purchaser
<b>Exhibits for Prepayment Requests</b>		
Yes	02-01	Prepayment Request
Yes	02-02	Documentation of tenant notice
<b>Exhibits for Decoupling Requests</b>		
N/A	03-01	Substantive Description
N/A	03-02	Support Letter from Existing Insured Mortgagee
N/A	03-03	Financial Exhibits (Sources and Uses, Pro Forma CF, Certification)
N/A	03-04	Disclosure of other Federal / State / Local Assistance
N/A	03-05	Capability Statement
N/A	03-06	As-Is Appraisal and/or Rent Comparability Study If Required
<b>Exhibits for Flexible Subsidy Operating Assistance Deferral</b>		
N/A	04-01	Deferral Request
N/A	04-02	Financial Statements
N/A	04-03	Financial Exhibits (Sources and Uses, Pro Forma CF, Certification)
N/A	04-04	Capability Statement
<b>Exhibits for Increase in Unit Rents</b>		
N/A	05-01	Applicant's BBRI Proposal for Non S8 Tenants
<b>Exhibits for Request to Assign / Assume PBRA Contract(s)</b>		
N/A	06-01	Request for Assignment of PBRA Contract
N/A	06-02	Capability Statement
N/A	06-03	Certification of Purchaser
N/A	06-04	Authority to Sign
<b>Exhibits for Nonprofit Retention of Sales Proceeds</b>		
N/A	08-01	Purchaser's Request
N/A	08-02	Purchaser's Agreement



**Master List of Exhibits Required for  
, 0 Units  
Current FHA**

<b>Required?</b>	<b>Exhibit #</b>	<b>Exhibit Name</b>
N/A	08-03	Capability Statement
N/A	08-04	Purchaser's Capital Needs Assessment
N/A	08-05	Purchaser's Repair Plan
N/A	08-06	Financial Exhibits (Sources and Uses, Pro Forma CF, Certification)
<b>Exhibits for Unit Conversions</b>		
N/A	09-01	Unit Conversion Request
N/A	09-02	Consent of the Lender
N/A	09-03	Vacancy Information
N/A	09-04	Evidence of Need for Conversion
N/A	09-05	Pre- and Post-Conversion Rental Schedules
N/A	09-06	Annual Operating Statements
N/A	09-07	Financial Exhibits (Sources and Uses, Pro Forma CF, Certification)
N/A	09-08	Capital Needs Assessment
N/A	09-09	Proposed Rehabilitation
N/A	09-10	Evidence of Notice to Tenants
N/A	09-11	Non Displacement Certification
N/A	09-12	Relocation Plan and Tenant Selection Plan
N/A	09-13	Unit Conversion Agreement
N/A	09-14	Environmental Review
N/A	09-15	Capability Statement
<b>Exhibits for LIHPRHA-ELIHPA Use Agreement Modification</b>		
N/A	10-01	Request to Modify Use Agreement
N/A	10-02	Fair Housing and Civil Rights Certification
N/A	10-03	Capability Statement
N/A	10-04	Financial Exhibits (Sources and Uses, Pro Forma CF, Certification)
N/A	10-05	Financing Plan
N/A	10-06	Environmental
N/A	10-07	Request for 20 Year HAP and Preservation Exhibit
<b>Exhibits for Re-Decoupling</b>		
N/A	11-01	Request for 20 Year HAP Extension
N/A	11-02	Re-Decoupling Request
Yes		<b>Overall Certification</b>
Yes		<b>Submit Any Needed Previous Participation Requests to Field Office</b>

**Application for Section 236 Preservation:  
Exhibit 01-02 Consent of Owner for HUD to Release Information to Purchaser**

Re: the 0 unit apartment project commonly known as 0, located in 0 (the 'Property')

To: Department of Housing and Urban Development, its Secretary, officials, employees, agents and contractors (collectively, "HUD")

The undersigned ("Owner") represents and warrants that it is the owner of the above referenced Property. The Owner is considering the sale of the Property to 0 (which, including its officials, employees, agents and contractors are collectively referred to herein as the "Prospective Purchaser"). To facilitate the sale Owner hereby requests, authorizes and directs HUD to cooperate directly with the Prospective Purchaser and release information about the Owner and the Property, including, without limitation, any and all financial information, which may be requested from time to time by Prospective Purchaser. Until such direction is revoked in writing and acknowledged by HUD, HUD may continue to release any and all requested information. HUD is hereby released and Owner hereby covenants and agrees to indemnify and hold HUD harmless from and for the release of such information.

Owner hereby acknowledges that the release of such information by HUD is not deemed to be HUD's consent to either the sale or the Prospective Purchaser qualifications, and such consent remains subject to all applicable statutes and any regulations issued by HUD pursuant thereto that apply to the Property, Owner or Prospective Purchaser, including all current requirements in HUD handbooks and guides, notices, and mortgagee letters that apply to the Property, and all future updates, changes and amendments thereto, as they become effective. Handbooks, guides, notices, and mortgagee letters are available on HUD's official website: (<http://www.hud.gov/offices/adm/hudclips/index.cfm>, or a successor location to that site).

Authorized Signature \_\_\_\_\_

Date: \_\_\_\_\_

By: enter name here

Of: 0

Its: enter role here

Phone Number of Individual Signing: enter phone number here



A	B	C	D	E	F	G	H	I
1	<b>Application for Section 236 Preservation: Sources and Uses</b>							
2	<b>For</b>							
3								
4	<b>TIP</b>	<b>Sources and Uses of Funds-- Not Applicable</b>						
5				<b>Comments</b>				
6	Proposed Closing Date							
7								
8	<b>Business Terms for Proposed New 1st Mortgage Loan (If Applicable)</b>							
9	Loan Type							
10	Principal Amount							
11	Interest Rate							
12	Amortization Term (years)							
13	Maturity (years)							
14	Mortgage Insurance Premium							
15	Calculated Monthly P+I Payment		\$0.00					
16	Actual Monthly P+I Payment							
17								
18	<b>Proposed Sources of Funds</b>							
19								
20			<b>Proposed Amount</b>	<b>Comments</b>				
21	1st Mortgage		\$0					
22	Total Tax Credit Equity							
23	Deferred Developer Fee (to Owner)							
24	Deferred Developer Fee (to Purchaser)							
25	Deferred Developer Fee (to Third Party)							
26	HOME							
27	CDBG							
28	Flexible Subsidy Loan							
29	Replacement Reserve							
30	Residual Receipts							
31	Other Sources (describe)							
32	Other Sources (describe)							
33								
34	<b>Total Sources</b>		<b>\$0</b>					
35	Sources and Uses Balance?		Yes					
36								
37	<p>Indicate whether the sources of funds listed above include all "HUD Assistance" and "Other Governmental Assistance" (as such terms are defined in the Certification of Financial Exhibits) that to the knowledge of the Applicant are either (1) available for the proposed transaction or (2) are being pursued for use in the proposed transaction. Discuss below any "HUD Assistance" (including, without limitation, project based rental assistance contracts or FHA mortgage insurance) or "Other Governmental Assistance" (including, without limitation, loan guarantees, tax credits, and rebates) that is <u>not</u> indicated as a source of funds above.</p>							
38								
39								
40	<p>Indicate whether the proposed transaction includes any form of tax credit and, if so, indicate whether there is any identity of interest between the investor and the developer. If there is an identity of interest (for example, the general partner intends to use a state credit on its individual tax return), provide documentation that the price proposed to be paid by the identity of interest investor is reasonable. If the transaction includes any form of tax credit that is not shown as a source of funds, provide an explanation.</p>							
41	2							
42								
43	<b>Proposed Uses of Funds</b>							
44								
45	<b>Rehabilitation Costs:</b>							
46	Hard Cost							
47	General Requirements							
48	Builder Profit / Fee							
49	Builder Overhead							
50	Bond Premium							
51	Hard Cost Contingency							
52	Other (describe)							
53	Other (describe)							
54								
55	<b>Rehabilitation Related Costs:</b>							
56	Architect's Design and Supervision Fee							
57	Real Estate Attorney							
58	Marketing							
59	Surveys							
60	Appraisal							
61	Market Study							
62	Environmental Report							
63	Other (describe)							
64	Other (describe)							
65								
66	<b>Financing Related Costs:</b>							
67	Construction Interest							
68	Real Estate Taxes During Construction							
69	Insurance During Construction							
70	Mortgage Insurance Premium							
71	Title & Recording							
72	Contingency (Financing Costs & Other Soft Costs)							
73	Lender's Origination Fee							

	A	B	C	D	E	F	G	H	I
1		<b>Application for Section 236 Preservation: Sources and Uses</b>							
2		<b>For</b>							
3									
74		Lender's Legal Fees							
75		Bond Issuance Costs							
76		Other (describe)							
77		Other (describe)							
78									
79		<b>Acquisition Related Costs:</b>							
80	TIP	Cash Portion of Sales Price to Seller							
81		Brokerage Fee (to Seller)							
82		Brokerage Fee (to Purchaser)							
83		Brokerage Fee (to Third Party)							
84		Prepaid Rent							
85		Pay Off Existing 1st Mortgage Balance							
86	TIP	Pay Off Existing Flexible Subsidy Balance							
87		Pay Off Other Existing Debt Balance							
88		Other (describe)							
89		Other (describe)							
90									
91		<b>Developer Fee:</b>							
92	TIP	Gross Amount of Developer Fee (to Owner)							
93	TIP	Gross Amount of Developer Fee (to Purchaser)							
94	TIP	Gross Amount of Developer Fee (to 3rd Party)							
95									
96		<b>Reserves and Other Project Accounts:</b>							
97		Replacement Reserve (post-closing balance)							
98		Operating Reserve							
99		Debt Service Reserve							
100		Other Project Account (describe)							
101		Other Project Account (describe)							
102									
103		<b>Total Uses</b>		<b>\$0</b>					
104									
105		Sources and Uses Balance?		Yes					

	A	B	C	D	E	F	G	H	I
1		<b>Application for Section 236 Preservation: Sources and Uses</b>							
2		<b>For</b>							
3									
106									

**Application for Section 236 Preservation: Pro Forma Stabilized Cash Flow Projection**

For

**Projected Occupancy Restrictions -- Not Applicable**

<i>Projected Occupancy Restrictions</i>	<i>Rent</i>	<i># Units</i>	<i>Total</i>
Units 30% or less of AMI			\$0
Units at 31-40% of AMI			\$0
Units at 41-50% of AMI			\$0
Units at 51-60% of AMI			\$0
Units at 61-80% of AMI			\$0
Units at market rates			\$0
Non revenue units (e.g., staff units)			\$0
<b>Totals</b>		<b>0</b>	<b>\$0</b>

**TIP Estimate of Stabilized Cash Flow -- Not Applicable**

**TIP Estimated Stabilized Income and Expenses (In Current Dollars As Of the Closing Date)**

*Income (revenue as positive amounts, vacancy and bad debt as negative amounts)*

5120/5121 Total Rent Revenue (Apartments)		
5140/5170 Rent Revenue (Commercial)		
5180-5195 Other Rent Revenue		
5220 Vacancy Loss (Apartments)		
5240/5270 Vacancy Loss (Commercial)		
5290 Vacancy Loss (Other)		
5250 Concessions		
6370 Bad Debt Loss (Apartments)		
6370 Bad Debt Loss (Commercial)		
<b>TIP</b> 5440 R4R Investment Income	\$0	Not available for operations
5410/5490 Other Financial Revenue		
5910 Laundry and Vending Revenue		
5920 Tenant Charges		
<b>TIP</b> 5945 IRP Revenue	\$0	Input as negative debt service below
5990 Miscellaneous Revenue		

**Effective Gross Income (EGI) \$0**

*Expenses (enter as positive amounts)*

62xx Renting Expenses		
6310/6330 Office Salaries / Manager Salaries		
6311 Office Expenses		
<b>TIP</b> Office Rent / Rent Free Unit(s)		
6320 Management Fee		
6340 Legal Expense		
6350 Audit Expense		
6351 Bookkeeping Fees		
6390 Miscellaneous Administrative		
64xx Total Utility Expense		
6510 Maintenance Payroll		
6515 Maintenance Supplies		
6520 Maintenance Contracts		
6525 Garbage and Trash Removal		
6530 Security Payroll / Contract		
6546-6590 Other Maintenance Expense		
6710 Real Estate Taxes		
6711 Payroll Taxes		
6720 Property & Liability Insurance		
6721 Fidelity Bond Insurance		
6722 Worker's Compensation Insurance		
6723 Health Insurance / Other Benefits		
6790 Misc Taxes, Licenses, Permits, Insurance		

**Total Expenses \$0**

Replacement Reserve Deposit (positive)		
Other Reserve Deposit (describe)		
Other Reserve Deposit (describe)		

**Adjusted Net Operating Income \$0**

1st Mortgage P+I (positive)		
1st Mortgage MIP (positive)		
IRP Applied to Debt Service (negative)		
Other Debt Service (describe)		
Other Debt Service (describe)		
Other Debt Service (describe)		

Other Debt Service (describe)		
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<b>Operating Cash Flow</b>		
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		\$0
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**Application for Section 236 Preservation: 10 Year Cash Flow Projection -- Not Applicable**

For

Income / Expense Category	Stabilized Projection	Trending Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Income (OAHP-HUD Categories)</b>												
Assisted / Unassisted GPR	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Income	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income Sources	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Apt Vacancy	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comm'l Vacancy	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Vacancy	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Apt Bad Debt	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comm'l Bad Debt	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Effective Gross Income (EGI)</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Expenses (OAHP-HUD Categories)</b>												
Real Estate Taxes	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities and Garbage Removal	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Management Fees	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries & Benefits	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Administrative	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oper./Repairs & Maintenance	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Reserve Deposits</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Adjusted NOI</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Debt Service</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Operating Cash Flow</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Comments:

- x
- x
- x

**Application for Section 236 Preservation Transaction:  
Applicant's Certification of Financial Exhibits**

**DATA ENTRY FIELDS:**

Name of person executing document:	<i>enter name here</i>
Title of person executing document:	<i>enter title here</i>
Role of person executing document in the applicant entity:	<i>enter role here</i>
Legal name of applicant entity:	0
Phone Number of Individual Signing:	<i>enter phone number here</i>
Name of Section 236 project	0
Current FHA number of 236 project	0

**Application for Section 236 Preservation Transaction:  
Applicant's Certification of Financial Exhibits**

I, *enter name here*, as *enter title here*, in my capacity as the *enter role here* of 0 (the 'Applicant') make the following representations and certifications to the United States Department of Housing and Urban Development ('HUD') on behalf of the Owner in conjunction with the attached Financial Exhibits which are part of the application (the 'Application') of Applicant for approval of a transaction (the 'Transaction') for the project known as: 0 (the 'Project') having the following FHA project number: 0.

I represent and certify that I have all requisite authority to execute this Certification and to bind the Applicant.

On behalf of the Applicant I represent and certify as follows:

1. The Applicant understands that HUD will rely upon this certification in evaluating the Application.
2. The Applicant has read and understands all published HUD guidance that is relevant to the proposed preservation transaction.
3. The Owner has been advised that it should conduct such due diligence as it determines is necessary including but not limited to consulting legal counsel in order to ensure that all statements contained in these certifications are true and complete.
4. The information contained in the Sources and Uses Statement, Pro Forma Stabilized Cash Flow Statement, and 10 Year Cash Flow Projection (collectively, the 'Financial Exhibits') is accurate, complete, and not misleading.
5. Except as fully disclosed in the Application, the Applicant has not received, has not applied for, and is not pursuing, any funding (including tax credit funding) with respect to the Project and/or the Transaction.
6. Each form of "HUD Assistance" that is available to or is anticipated for the Project and/or the Transaction is fully disclosed in the Financial Exhibits. "HUD Assistance" means any contract, grant, loan, cooperative agreement or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided under a program administered by the Department of Housing and Urban Development for use in, or in connection with, the Project and/or the Transaction.
7. Each form of "Other Governmental Assistance" that is available to or is anticipated for the Project and/or the Transaction is fully disclosed in the Financial Exhibits. "Other Governmental Assistance" means any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government, a State, or a unit of general local government, or any agency or instrumentality thereof, other than HUD Assistance.
8. The Applicant agrees to update the Financial Exhibits and to provide an updated Certification of Financial Exhibits in the event that (A) there is any increase in estimated (or actual) total sources of funds; (B) any new form of HUD Assistance is received or is applied for with regard to the Project and/or the Transaction; (C) any new form of Other Governmental Assistance is received or is applied for with regard to the Project and/or the Transaction; or (D) there is any reduction in estimated (or actual) total uses of funds. The Applicant acknowledges that this is a continuing requirement until the Transaction has been closed, all associated rehabilitation has been completed, and all associated financing transactions have been completed.
9. Each use restriction, associated with any actual or proposed form of HUD Assistance or Other Governmental Assistance, is fully disclosed in the Application, including the length of such use restriction and the key compliance requirements under such use restriction.
10. The estimates presented in the Financial Exhibits were prepared not more than six months prior to the date that appears below my signature.

**Warning: HUD will prosecute false claims and statements. Conviction may result in criminal or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)**

Authorized Signature \_\_\_\_\_

Date: \_\_\_\_\_

By: *enter name here*

Of: 0

Its: *enter role here*

Phone Number of Individual Signing: *enter phone number here*

**Application for Section 236 Preservation:  
Applicant's Overall Certification**

I, enter name here, as enter title here, in my capacity as the enter role here of 0 (the 'Applicant') make the following representations and certifications to the United States Department of Housing and Urban Development ('HUD') on behalf of the Owner in conjunction with the attached application (the 'Application') of Applicant for approval of a transaction for the project known as: 0 (FHA project number 0).

I represent and certify that I have all requisite authority to execute this Certification and to bind the Applicant.

On behalf of the Applicant I represent and certify as follows:

1. The Applicant understands that HUD will rely upon this certification in evaluating the Application.
2. The Applicant has read and understands all published HUD guidance that is relevant to the proposed preservation transaction.
3. The Owner has been advised that it should conduct such due diligence as it determines is necessary including but not limited to consulting legal counsel in order to ensure that all statements contained in these certifications are true and complete.
4. The information contained in the Application is accurate, complete, and not misleading.
5. Neither the Applicant, the proposed management agent of the Project, nor any Affiliates of the Applicant and the management agent of the Project, are currently debarred or suspended from participation in any federal program.
6. Neither the Applicant, the proposed management agent of the Project, nor any Affiliate of the Owner or management agent, is subject to a Limited Denial of Participation.
7. There is no litigation or other claim pending or threatened against the Applicant or the Project other than those listed herein:  
    No litigation
8. The Applicant has not received, applied for, and is not pursuing, any other funding with respect to the Project (including, without limitation Low Income Housing Tax Credit funding); except as fully disclosed in the Application.
9. No judgment lien in favor of the government of the United States of America or any agency or instrumentality thereof exists against the Project or any portion thereof.
10. Neither the Applicant nor any Affiliate of the Applicant has a delinquent federal debt.

**Warning: HUD will prosecute false claims and statements. Conviction may result in criminal or civil penalties (18 USC Sections 1001, 1001; 31 USC Sections 3729, 3802)**

Authorized Signature \_\_\_\_\_

Date: \_\_\_\_\_

By: enter name here

Of: 0

Its: enter role here

Phone Number of Individual Signing: enter phone number here

