

Public reporting burden for this collection of information is estimated to average 15 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 agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required to apply to the Rental Assistance Demonstration program as authorized by the Consolidated and Further Continuing Appropriations Act of 2012 and subsequent appropriations. Requirements for RAD were established in PIH 2012-32 and subsequent notices. The information will be used by HUD to determine that the claims made by PHA or Owner can be relied on. There are no assurances of confidentiality.

INSTRUCTIONS: The existing Section 202 Project Rental Assistance Contract (PRAC) Owner (Existing Owner) and the Proposed Section 202 Rental Assistance Demonstration (RAD) PRAC Owner (Proposed Owner) must select competent counsel acceptable to HUD counsel, and in a manner that satisfies the applicable rules of professional conduct. Counsel to the Existing Owner and the Proposed Owner, if different, must provide the HUD form of legal opinion(s) and any other matters reasonably requested by HUD

This form contains HUD-required language which must be included in any Opinion of Existing Owner Counsel and Proposed Owner Counsel in a Section 202 RAD PRAC program transaction. HUD-required Opinion language may not be changed. Additional Assumption and Qualification language needed for individual transactions may be added only with prior written approval of HUD, must not so substantially differ as to thwart the HUD-required language and must be in bold typeface in the space provided. Enter all transaction relevant information within the bold bracketed spaces provided and provide Schedule 1 and Exhibits A and B.

OPINION OF [EXISTING OWNER OR PROPOSED OWNER’S] COUNSEL

[LAW FIRM LETTERHEAD]

[DATE]

U.S. Department of Housing
and Urban Development
451 Seventh Street SW
Washington, D.C. 20410

Re: [Covered Project Name with
PRAC Contract Number identified in the RAD Conversion Agreement]

Ladies and Gentleman:

We represent [FULL NAME OF EXISTING OWNER], a [STATE OR COMMONWEALTH ORGANIZED] [LEGAL STRUCTURE OF EXISTING OWNER, A LIST OF MULTIPLE ENTITIES IS ACCEPTABLE] (singly, or if more than one entity listed, collectively the “Existing Owner”) and [FULL NAME OF PROPOSED OWNER], a [STATE OR COMMONWEALTH ORGANIZED] [LEGAL STRUCTURE OF PROPOSED OWNER] (the “Proposed Owner”, and, together with the Existing Owner, the “Owners”), in connection with

the conversion of one or more Project Rental Assistance Contracts (PRAC) under Section 202(c) (2) of the Housing Act of 1959 pursuant to the Rental Assistance Demonstration (“RAD”) and provision of [RAD Project-Based Vouchers (PBV) or Project-Based Rental Assistance (PBRA)] rental assistance to the project located at [ADDRESS OF THE COVERED PROJECT] and commonly known as [COVERED PROJECT NAME] (the “Covered Project”).

We have been requested by the [Existing Owner and/or Proposed Owner] to deliver this opinion in accordance with and pursuant to the RAD requirements issued by the United States Department of Housing and Urban Development (“HUD”) and the associated RAD Section 202 PRAC Conversion Agreement entered into by and among HUD, the Existing Owner and the Proposed Owner (said document is hereafter referred to as the “Conversion Agreement.” [IF NOT REPRESENTING BOTH THE EXISTING AND PROPOSED OWNERS SIMULTANEOUSLY, ADJUST THE TEXT AS NECESSARY TO DELETE ONE PARTY FROM THE REPRESENTATION.]

Instruments and Loan Documents Examined

In preparing this opinion, we have prepared or reviewed executed originals or true and complete copies of the instruments and documents, all of which are dated the date hereof (unless otherwise indicated), as set forth in Schedule 1 attached hereto and incorporated herein by this reference. Items under Heading A of Schedule 1 are collectively referred to as the “[Existing Owner and/or Proposed Owner Documents]” and all of the items listed on Schedule 1 are collectively referred to as the “Documents.” The Documents represent all of the material, legally binding agreements entered into by the [Existing Owner or Proposed Owner] in association with the RAD conversion of Section 202 PRAC assistance approved by HUD pursuant to its execution of the Conversion Agreement.

Assumptions

The Opinions expressed herein are subject to the following Assumptions, in addition to the Assumptions and Qualifications set forth elsewhere herein:

1. All Documents submitted to us as originals are authentic, and all copies of the Documents, and all records and letters examined by us are accurate, true, complete, and correct copies of the originals thereof and all factual warranties, representations, and statements made by the parties in the Documents are accurate, true, and correct.
2. Each of the individuals executing the [Existing Owner and/ or Proposed Owner] Documents has the requisite legal capacity and all the signatures, other than those of the [Existing Owner and or Proposed Owner] on [Existing Owner and/or Proposed Owner] Documents, are genuine.
3. The [Existing Owner and/or Proposed Owner] Documents have been duly authorized, executed, and delivered by all parties other than the [Existing Owner and/or Proposed Owner] and constitute legal, valid, and binding obligations of each such other party enforceable in accordance with their terms.

4. Each [Existing Owner and/or Proposed Owner] Document or other document submitted for review is accurate and complete. Each [Existing Owner and/or Proposed Owner] Document that is an original is authentic, each [Existing Owner and/or Proposed Owner] Document that is a copy conforms to an authentic original, and all signatures on each such document are genuine. The form and content of any [Existing Owner and/or Proposed Owner] Document submitted as an unexecuted copy does not differ in any respect relevant to this Opinion Letter from the form and content of such [Existing Owner and/or Proposed Owner] Document as executed and delivered
5. Each party to any of the [Existing Owner and/or Proposed Owner] Documents, other than the [Existing Owner and/or Proposed Owner], is a duly organized corporation, general partnership, limited partnership, limited liability company, national banking association, authority, agent, public body, branch of the government of the United States of America, or other duly organized entity, as the case may be, under and pursuant to the laws of each such party's organizational jurisdiction and, to the extent necessary for the delivery of the opinions set forth herein, is in good standing under the laws of, and authorized to transact business in, the State or Commonwealth in which the Covered Project is located ("State").
6. Each party to any of the [Existing Owner and/or Proposed Owner] Documents, other than the [Existing Owner and/or Proposed Owner], has all requisite certifications of authority, licenses, permits, consents, qualifications, and documentation, and all requisite organizational power and authority, to execute such of the [Existing Owner and/or Proposed Owner] Documents to which it is a party, to perform its obligations under such of the [Existing Owner and/or Proposed Owner] Documents to which it is a party, and to enforce such of the [Existing Owner and/or Proposed Owner] Documents to which it is a party.
7. There are no oral or written modifications or amendments to the Documents and there has been no waiver of any of the provisions of the Documents by actions or conduct of the parties or otherwise.

[ENTER ALL HUD-APPROVED ADDITIONAL ASSUMPTIONS HERE OR MARK N/A

- 8.
- 9.
- 10.
11.]

We have made no investigation of the facts of law underlying the foregoing Assumptions. We have made no investigation regarding the accuracy or completeness of any documents, records, instruments, letters, or other writings examined by us, or the accuracy of any warranties, representations, and statements of fact contained therein, and we express no opinion regarding the same. No opinion is expressed regarding the existence or nonexistence of, or the effect of, any form of fraud, misrepresentation, mistake duress, or criminal activity upon the legality,

validity, binding effect, or enforceability of the [Existing Owner and/or Proposed Owner] Documents, and we have made no investigation of the facts or law pertaining to such conduct.

Opinions

Based upon, and subject to, the Assumptions set forth above and subject to the Assumptions, Qualifications, exceptions, and limitations set forth in this opinion, we are of the opinion that:

1. Based on the [Certificate of Existence or Certificate of Good Standing], the [Existing Owner and/or Proposed Owner] is a [TYPE OF ENTITY AND STATE OR COMMONWEALTH WHERE EXISTING OWNER AND/OR PROPOSED OWNER IS ORGANIZED AND EXISTING] and duly organized, validly existing [if recognized by the jurisdiction: and in good standing] and authorized to transact business in the State. The [Existing Owner and/or Proposed Owner] has the requisite power and authority to execute and deliver the [Existing Owner and/or Proposed Owner] Documents to which it is a party and to perform its obligations thereunder.
2. The [Existing Owner and/or Proposed Owner] Documents have been duly executed and delivered by the [Existing Owner and/or Proposed Owner]. In addition, those parties executing the [Existing Owner and/or Proposed Owner] Documents on behalf of the [Existing Owner and/or Proposed Owner], and the consummation by the [Existing Owner and/or Proposed Owner] of the transactions contemplated thereby, have been duly authorized by all necessary partnership, company, corporate or other actions, as applicable.
3. Based upon the certification of [Existing Owner and/or Proposed Owner] attached hereto as [Exhibit A-1 for Existing Owner and Exhibit A-2 for Proposed Owner], there is no litigation or other claims pending or threatened against the [Existing Owner and/or Proposed Owner] or the Covered Project the resolution which would have a materially adverse effect on the [Existing Owner's and/or Proposed Owner's] ability to comply with the requirements of the Conversion Agreement [if applicable: other than as disclosed to HUD on Exhibit A, Schedule A-1/Schedule A-2].
4. Based solely on the pro forma title policy no. [_____] issued by [NAME OF TITLE INSURANCE COMPANY] attached hereto as Exhibit B and reviewed and approved by HUD and assuming recordation of the documents listed therein in the order listed therein, and except as otherwise reflected in such policy, the Housing for the Elderly Declaration of Restrictive Covenants and Use Agreement is superior to the lien and/or encumbrance of any mortgage, deed of trust, financing document or regulatory agreement relating to the Covered Project. To our knowledge, we have no reason to believe that the title policy issued will differ substantively with respect to the listing of liens and/or encumbrances from the pro forma reviewed and approved by HUD or that the documents will be recorded in an order different than the recording order previously submitted to HUD for review.
5. The [Existing Owner and/or Proposed Owner] Documents constitute valid and legally enforceable agreements and/or contracts of the [Existing Owner and/or Proposed

Owner], enforceable in accordance with their respective terms under the laws of the State and local law, subject to the Qualifications that the enforceability of any [Existing Owner and/or Proposed Owner] Document may be limited or affected by customary principles governing equitable relief generally and by bankruptcy, insolvency, reorganization, rearrangement, moratorium, liquidation, fraudulent conveyance, receivership, conservatorship, and other laws affecting the rights of creditors or the collection of debtors' obligations generally and a court may refuse to grant an order for specific performance or any other principles of equity which may limit the availability of certain equitable remedies.

6. Based on the foregoing and subject to the Assumptions and Qualifications set forth in this letter, it is our opinion that each of the [Existing Owner and/or Proposed Owner] Documents conforms to the legal requirements of the Conversion Agreement and that there is nothing in any of such [Existing Owner and/or Proposed Owner] Documents that conflicts with, or is inconsistent with, the legal requirements of the Conversion Agreement or exhibits thereto.
7. Draft Documents submitted for due diligence review have been executed in the form submitted to HUD and approved by HUD counsel.
8. All Documents conform with the legal requirements set forth in the Conversion Agreement and any and all changes to HUD forms or sample language have been disclosed to HUD and its counsel.

Qualifications

The Foregoing opinion is subject to the following Qualifications:

1. To the extent that we have relied upon the certifications of other persons in preparing this opinion, or the written statements or opinions of other counsel, we have attached to this opinion a copy of each such certification, statement, or opinion.
2. We express no opinion as to the truth or accuracy of any warranties, representations, or statements of fact contained in any documents examined by us, including, but not limited to, the [Existing Owner and/or Proposed Owner] Documents listed in Heading A of Schedule 1.
3. We express no opinion as to:
 - a. The effect of bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent transfer, conveyance, and other similar laws affecting the rights and remedies of creditors generally; or
 - b. The effect of general principles of equity, whether applied by a court of law or equity.
4. We express no opinion as to the enforceability of any provisions in any of the Documents purporting to:

- a. Preclude the modification thereof through conduct, custom or course of performance, action, or dealing;
 - b. Waive equitable, statutory, or constitutional rights or remedies;
 - c. Require the payment or reimbursement of fees, costs, expenses or other amount which are unreasonable in nature or amount;
 - d. Limit the liability of the recipient of this opinion, or require indemnification of recipient of this opinion, for its own action or inaction; or
 - e. Specify the forum or venue where disputes shall be settled.
5. No opinion is given herein as to any laws regulating the business of any the parties other than the [Existing Owner and/or Proposed Owner], including without limitation: (a) the types of investments that can be made by any of the parties other than the [Existing Owner and/or Proposed Owner]; or (b) the legal lending limit of any of the parties other than the [Existing Owner and/or Proposed Owner].
6. Whenever our opinion herein is qualified by the phrases “to our knowledge,” “known to us,” “our attention,” or words of similar import, it is intended to indicate that the current actual knowledge of the attorneys within this firm engaged in the representations of the [Existing Owner and/or Proposed Owner] (and not to the knowledge of the firm generally) is not inconsistent with that portion of the opinion which such phrases qualify. We have made no independent investigation with respect to such matters.
7. The opinions set forth are based solely upon the laws and regulations of the State and federal law, and the state of facts in effect on the date hereof. Nothing herein shall be construed to be an opinion as to the applicability or effect of the laws of any other jurisdiction.
8. This opinion speaks only as of the date of its delivery. We have no obligation to advise the recipients of this opinion, or anyone else, of any matter of fact or law thereafter occurring, whether or not brought to our attention, even though that matter affects any analysis or conclusion of this opinion.
9. The opinion is limited to the matters expressly set forth herein, and no opinion is to be inferred or may be implied beyond the matters expressly so stated.

[ENTER ALL HUD-APPROVED QUALIFICATIONS HERE OR MARK N/A

10.

11.]

This opinion letter has been provided solely for the benefit of the addressee, at its request, and no other person or entity shall be entitled to rely hereon without the express written consent of [LAW FIRM PROVIDING OPINION]. This opinion letter shall not be quoted in whole or in

part, used, published, or otherwise referred to or relied upon in any manner, including, without limitation, in any financial statement or other document.

Sincerely,

[LAW FIRM PROVIDING OPINION]

cc: [Name of attorney at the law firm providing the opinion for HUD reference purposes]

Schedule 1

- A. Existing Owner or Proposed Owner Documents:
1. [Conversion Agreement]
 2. [Termination and Release of Section 202 Capital Advance Note and Liens]
 3. [Housing for the Elderly Declaration of Restrictive Covenants and Use Agreement]
 3. [HAP Contract]
 4. [Ground Lease, if applicable]
 5. [List all other documents executed by the Existing Owner or Proposed Owner and submitted to HUD for review as part of the RAD conversion]
- B. Other Documents
1. [Pro Forma Title Insurance Policy]
 - 2.. [Certifications and Assurances]
 4. [Certification of Existing Owner and/or Proposed Owner, attached as Exhibit A]
 5. [Consolidated Owner's Certification]
 6. [Existing and/or Proposed Owner Organizational Documents]
 - i. [Amended and Restated Agreement of Limited Partnership]
 - ii. [Certificate of Limited Partnership]
 - iii. [Certificate of Existence]
 - iv. [Other documents used to support the opinions with respect to the Existing Owner or Proposed Owner documents (e.g. bylaws and articles of incorporation)]

Exhibit A

CERTIFICATION OF [EXISTING OWNER OR PROPOSED OWNER]

This Certification of Project Owner (“Certification”) is made the ___ day of _____, 202_, for reliance upon by [LAW FIRM PROVIDING OPINION] (“Counsel”) in connection with the issuance of an opinion letter dated of even date herewith as a condition for conversion of Section 202 PRAC assistance pursuant to the Rental Assistance Demonstration by the Department of Housing and Urban Development (“HUD”). In connection with the opinion letter, [Existing Owner and/or Proposed Owner] hereby certifies to the best of its knowledge to Counsel for its reliance, the truth, accuracy and completeness of the following matter:

There is no litigation or other claims pending or threatened against [Existing Owner and/or Proposed Owner] or the Covered Project, the resolution of which would have a materially adverse effect on the Project Owner’s ability to comply with the requirements of the RCC, except for: [LIST on ATTACHED SCHEDULE A-1 OR IF NONE, STATE “NONE” HERE]

The [Existing Owner and/or Proposed Owner] and its authorized representative who executes this Certification, each certifies that the statements and representations contained in this Certification and all supporting documentation hereto are true, accurate, and complete. This Certification has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by HUD and Counsel as a true statement of the facts contained therein.

[INSERT SIGNATURE BLOCK, SUCH AS:

[NAME OF EXISTING OWNER OR PROPOSED OWNER], a [STATE AND LEGAL STRUCTURE OF ENTITY]

By: _____
[NAME OF ITS GENERAL PARTNER]
Its: General Partner

By: _____
[NAME OF ITS MANAGING MEMBER]
Its: Managing Member]

By: _____
Name: [NAME OF ITS PRESIDENT]
Title: [PRESIDENT]
Date: _____

SCHEDULE A-1

**Litigation or other Claims Pending or Threatened Against Existing Owner or
the Covered Project, the Resolution of Which Would Have a Materially Adverse Effect
On the Project Owner's Ability to Comply with the Requirements of the RCC**

SCHEDULE A-2

**Litigation or other Claims Pending or Threatened Against Proposed Owner or
the Covered Project, the Resolution of Which Would Have a Materially Adverse Effect
On the Project Owner's Ability to Comply with the Requirements of the RCC**

Exhibit B

PRO FORMA TITLE INSURANCE POLICY

(attached)