

**Consolidated Certifications -
Borrower**

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

OMB Approval No. 2502-0602
(Exp. 11/30/2022)

Public Burden Statement: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The information requested is required in order to receive the benefits to be derived. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, Attention: Departmental Clearance Officer, 451 7th Street SW, Room, Washington, DC 20410 or email Hospitals@hud.gov. HUD collects this information, pursuant to Section 242 of the National Housing Act and regulations at 24 CFR Part 242, in order to review Section 242 applications to determine eligibility, underwrite insured hospital loans, ensure adequate collateral, process initial/final endorsement, manage FHA's hospital portfolio, monitor and manage risk, and ensure ongoing compliance with regulations. No confidentiality is assured.

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.

INSTRUCTIONS:

Please fill in the lines or appropriate check box (e.g.,) for your responses. Enter N/A if not applicable.

Name of Borrower: _____

Name of Lender: _____

Name of Project: _____

Project Address _____

FHA Number: _____

Management Agent: _____

Audit Firm: _____

Existing FHA Lender: _____

Existing FHA Loan No.: _____

**General Contractor
/Construction Manager:** _____

Architect: _____

Lender's Broker: _____

Title Company or Title Agent: _____

Appraisal Firm: _____

Environmental Firm:

Seller:

**Financial Feasibility
Consultant:**

Part I. Program

- Section 242**
 - Section 223(a)(7)**
 - Section 223(f)**
 - Section 241**
-

Part II. Application for Project Mortgage Insurance

The undersigned Borrower certifies that it is familiar with the provisions of Section _____ [from Part I] of the National Housing Act and the regulations of the Secretary of Housing and Urban Development ("HUD") applicable thereto and that, to the best of its knowledge and belief, the Borrower has complied, or will be able to comply, with all of the requirements thereof that are prerequisite to insurance of the mortgage under such section of the National Housing Act.

The Borrower further certifies that to the best of its knowledge and belief no information, data, exhibits, or attachments provided to the Lender or HUD, are in any way false or incorrect and that they are truly descriptive of the project or property that is intended as the security for the proposed mortgage and that any proposed repairs, rehabilitation, or new construction will not violate zoning ordinances or restrictions of record.

The Borrower agrees with HUD that, pursuant to the requirements of the HUD Regulations, (a) neither it nor anyone authorized to act for it will decline to serve or otherwise make available any of the project's property, facilities, or services in the project to a prospective patient or customer because of their race, color, religion, sex, disability, or national origin; (b) it will comply with federal, state, and local laws and ordinances prohibiting discrimination; and (c) its failure or refusal to comply with the requirements of either (a) or (b) shall be a proper basis for HUD to reject requests for future business with which any Principal of the Borrower is identified or to take any other corrective action HUD may deem necessary.

Part III. Byrd Amendment

The Borrower 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.

Part IV. Fair Housing and Civil Rights Certifications

Borrower hereby assures and certifies that:

1. It shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and regulations pursuant thereto (24 CFR Part 1) which state that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which Borrower receives federal financial assistance; and shall immediately take any measures necessary to effectuate such assurance. With reference to the real property and structure(s) thereon which are provided or improved with the aid of federal financial assistance extended to Borrower, this assurance shall obligate Borrower, or in the case of any transfer, the transferee, for the period during which the real property and structure(s) are used for the purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
2. It shall comply with Executive Order 11063 on Equal Opportunity in Housing which prohibits discrimination in housing and related facilities provided with federal financial assistance on the basis of race, color, religion, national origin or sex, and regulations pursuant thereto (24 CFR Part 107).
3. It shall comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and regulations issued pursuant thereto (24 CFR Part 8) which state that no otherwise qualified individual with disabilities in the United States shall solely by reason of such disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. If costs are expended by Borrower in order to design and/or construct improvements to the Project for compliance with the Americans with Disabilities Act (42 U.S.C. 12101) (ADA), or in order to make corrections to the Project due to noncompliance with the ADA, such costs may be paid from mortgage proceeds or from Borrower's equity.
4. It shall comply with Executive Order 11246 and all regulations issued pursuant thereto (41 CFR Part 61) which state that no person shall be discriminated against on the basis of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin in all phases of employment during the performance of federal contracts, and shall take affirmative action to ensure equal employment opportunity. Borrower shall incorporate, or cause to be incorporated, into any contract for construction work, the equal opportunity clause required by 41 CFR 60-1.4(b)(1).
5. It shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and regulations pursuant thereto (24 CFR Part 75) which require that, to the greatest extent feasible, opportunities for training and employment be given to low and very low income persons residing within the service area, neighborhood, or the metropolitan area (or non-metropolitan county) in which the project is located; and that

contracts for work be awarded to business concerns that provide economic opportunities for low and very low income persons residing in the same metropolitan area (or non-metropolitan county) as the project.

6. It shall comply with the requirements of Executive Orders 11625, 12432 and 12138 (Minority and Women-Owned Business Enterprises).

Part V. Equal Employment Opportunity Certification

Borrower acknowledges and agrees as follows:

1. Borrower shall incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the United States Secretary of Labor at 41 CFR Part 60, which is paid for in whole or in part with funds obtained from the United States or borrowed on the credit of the United States pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants shall receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the United States Secretary of Labor.
- (5) The contractor shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the United States Secretary of Labor, or pursuant thereto, and shall permit access to its books,

records, and accounts by HUD and the United States Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further federal government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the United States Secretary of Labor, or as otherwise provided by law.
 - (7) The contractor shall include the portion of the sentence immediately preceding Section (1) and the provisions of Sections (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the United States Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions shall be binding upon each subcontractor or vendor. The contractor shall take such action with respect to any subcontract or purchase order as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by HUD, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
2. Borrower shall be bound by the equal opportunity clause above with respect to its own employment practices when it participates in federally-assisted construction work; provided, that if Borrower is a state or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
 3. Borrower shall assist and cooperate actively with HUD and the United States Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the United States Secretary of Labor, that it shall furnish HUD and the United States Secretary of Labor such information as they may each require for the supervision of such compliance, and that it shall otherwise assist HUD in the discharge of HUD's primary responsibility for securing compliance.
 4. Borrower shall refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, federal government contracts and federally-assisted construction contracts pursuant to such Executive Order and shall carry out such sanctions and penalties for any violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by HUD or the United States Secretary of Labor pursuant to Part II, Subpart D of such Executive Order. In addition, Borrower agrees that if it fails or refuses to comply with these undertakings, HUD may take any or all of the following actions: cancel, terminate, or suspend in whole or in part the grant, contract, loan, insurance or guarantee; refrain from extending any further assistance to Borrower under the program with

respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from Borrower; or refer the case to the U.S. Department of Justice for appropriate legal proceedings.

Part VI. Credit Authorization.

Borrower 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.

Borrower 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, Borrower further authorizes the Lender to disclose to HUD all financial and other information submitted by Borrower 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 VII. Supplement to Underwriting Analysis.

	Yes	No
1. Is the Borrower delinquent on any federal debt, using the Definition of Delinquent Debt within the Applicant’s Guide, Supplement 3?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Borrower been a defendant in any suit or legal action, or have there been any judgments against the Borrower, that are not adequately covered by appropriate insurance?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the Borrower or any Affiliate of the Borrower claimed bankruptcy in the last five years?.....	<input type="checkbox"/>	<input type="checkbox"/>
4. Are there any liens against the Borrower that are unapproved by HUD?.....	<input type="checkbox"/>	<input type="checkbox"/>
5. Is the Borrower under investigation by any state or federal agency for statutory or regulatory violations?.....	<input type="checkbox"/>	<input type="checkbox"/>
6. Do physicians or other professionals practicing in the hospital have any financial interest in the Borrower?.....	<input type="checkbox"/>	<input type="checkbox"/>

If the answer to any of the questions above is “Yes”, please provide details on a separate sheet using the instructions below.

1. Please provide details, including the agency, amount and type of debt, workout plans, etc.
2. Please describe the nature of the suit or legal action and an estimated impact on the borrower.
3. If the Borrower or any Affiliate has filed for, is in, or has emerged from bankruptcy within the last five years, then please discuss the timing and nature of the bankruptcy.
4. Please describe the nature of the liens and a plan to satisfy those liens prior to initial or initial/final endorsement.

5. A Borrower that is under investigation by any state or federal agency for statutory or regulatory violations is not eligible so long as the investigation is unresolved, unless HUD determines that the investigation appears to be minor in nature. If the Borrower is under investigation, please provide details so HUD can determine if the investigation is unlikely to result in substantial liabilities or to otherwise substantially harm the creditworthiness of the Borrower.
6. Please describe the nature of the arrangements. Please provide sufficient details so HUD can determine if the proposed mortgagor appears to be at low risk for violation of regulations of the U.S. Department of Health and Human Services, other federal regulations, and state regulations governing kickbacks and self-referrals, or other issues that could increase the risk of eventual default. The Commissioner's determination shall be based on an unqualified legal opinion as to compliance with applicable federal law, among other considerations.

Part VIII. Identities of Interest.

Does Borrower 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"/>	Architect:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management Agent:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lender's Broker:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Seller:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Title Company/Title Agent:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Audit Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Feasibility Consulting Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appraisal Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental Firm:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Contractor / Construction Manager:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the answer to any of the questions in this Part VII is Yes, attach a separate sheet setting forth the nature of each identity of interest. Borrower certifies that, to the best of its knowledge, its answer to each of the questions in this Part VII, and the information in any such attached sheets, is true and correct.

Part IX. Signatures

The Borrower 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.

Borrower hereby certifies under penalty of perjury 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 these certifications. These certifications have 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 Borrower certifies that they are an authorized representative of the Borrower and has sufficient knowledge to make these certifications on behalf of the Borrower.

Executed this _____ day of _____, _____.

Borrower Name: _____

By

: _____

Signature

(Printed Name & Title of Authorized Representative)