

**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. 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 15 minutes 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.

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

Request for Payment

Instructions to Borrower: This request is to be submitted electronically to your Lender. All items requested shall be clearly identified by description and reference the budget category from the Application for Hospital Project Mortgage Insurance (form HUD-92013-OHF). No item shall be applied for until payment is due. A request covering construction costs shall reconcile with the Contractor’s Requisition (form HUD-92448-OHF), which will be attached hereto. The request for the first payment on account of the Architect’s fee shall be accompanied by the Borrower’s and Architect’s Certificate (form HUD-92403A-OHF), which will be attached hereto.

To Lender: The undersigned Borrower hereby requests the Lender identified below to advance funds as provided for by the Building Loan Agreement (form HUD-92441-OHF) heretofore executed on _____(mm/dd/yyyy) as indicated by the total amount of the individual payments set forth in the schedule below.

Budget Item	Description	(A) Amount Claimed	(B) HUD Approved Amount
C1	Construction costs (form HUD-92448-OHF line 5a)	\$	\$
C7	Owners Contingency (form HUD-92448-OHF line 5b)	\$	\$
C12	Interest from (mm/dd/yy) () to (mm/dd/yy) ()	\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
TOTAL DUE ON THIS REQUISITION		\$	\$

The undersigned hereby certifies under penalty of perjury 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 under penalty of perjury that all prior work, labor, and materials to be paid for under this

request are satisfactory and are in accordance with the contract documents.

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

For Use by Lender

Instructions: This request is to be electronically submitted to HUD.

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. The sum requested includes \$ _____ for Owner's cash equity. 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 Borrower's cash equity funds required, if any, over mortgage proceeds to complete the project.

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 electronic conformed copy 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 (Adjustments made from Column A to B on page 1): (Attach additional sheets if required.)

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

