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| **Change of Ownership Review Checklist**  Section 232 |  | **U.S. Department of Housing and Urban Development**  Office of Residential Care Facilities |

**Warning**: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

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| --- |
| **Project Name:** |
| **Project Number:** |
| **Applicant Name:** |

**SUBMISSION REQUIREMENTS:**

* This checklist document should be used for **Change of Ownership** transactions (formerly known as transfer of physical assets or TPA transactions) that include, but are not limited to, transactions demonstrating the following characteristics:
* The sale and conveyance by deed of title to a property that has a mortgage insured or held by HUD and necessitates a substitution of Borrowers.
* The transfer/change of an entity having a controlling interest in a property that has a mortgage insured or held by HUD.
* Transactions with a change of Internal Revenue Services (IRS) Reporting Structure (e.g., a Borrower converts from a limited partnership to a limited liability company, but all principals remain the same and the Tax Identification Number (TIN) is not changing).
* If a change of ownership entities/structure will be completed in conjunction with a Section 232 refinance under Section 223(a)(7) of the National Housing Act, **do not use this form**. The required exhibits for processing the transaction are listed on the Section 223(a)(7) Firm Application Checklist posted on the Section 232 Program website. A change to ownership entities/structure is also possible prior to the final closing of an insured note for new FHA mortgage insurance; however, please discuss with the ORCF Closer assigned. Depending on the extent of the change, ORCF may choose to reprocess the application for mortgage insurance or require submission of this Change of Ownership application.
* If this transaction includes a change of Operator and/or Management Agent in conjunction with the **Change of Ownership Review** application, those transactions may be combined with this submission. Where applicable, please provide additional documentation for those transactions; there is no need to complete separate applications for a change of Operator and/or Management Agent. However, if the subject transaction is for a **Change of Operator** and/or **Change of Management Agent** and does not involve a **Change of Ownership** transaction as described above, **do not use this form**. For further description of these requirements, please refer to Chapters 7 and 8 of the Section 232 Handbook 4232.1, Section III Asset Management.
* Lender shall transmit the checklist documents via the HUD Healthcare Portal (link [here](https://www.hud232portal.com/)), and one (1) additional hard copy of the documents to the designated HUD attorney. In the Portal, select *Asset Management > Project Request Form*. Fill out the information and from the *Project Action Request Type*, select the applicable type of TPA being submitted.
* It is **critical** that you name each file according to the naming convention provided in the checklist **highlighted in green.** These highlighted numbers are important codes that “guide” the Portal system to recognize the type of transaction submitted, section number of the checklist, and the identity of the document. Therefore, using the naming convention in the sample checklist excerpt that follows, appropriate file names for this document include **90101-a\_Lender’s Consent [OR] 90101-a\_LendersConsent**. In both examples, the critically important portion of the file name is the five-digit number, dash, letter, and underscore. **Failure to include this critical information will cause the Portal to reject the submitted document.** Comparing the checklist to the ordered file name list, you will be able to quickly determine what documents may be missing from the submission. All TPA submissions determined to be substantially deficient shall be returned to the applicant, closed in the Portal, and will need to be resubmitted once complete. Note that a copy of the completed checklist is one of the documents required in the checklist and is an important part of ensuring your submission is complete.
* If a transaction results in a change or addition of a project’s management agent, and such management agent is also a licensee (or co-licensee) for the project, applicant shall additionally submit all applicable documentation that is required when there is a change of Operator. Please refer to Chapter 8 of the Section 232 Asset Management Handbook for further description of HUD’s requirements related to operators and management agents.
* If a transaction results in a change to, removal of, or addition of a master tenant, applicant shall submit documentation required in Sections 22-25 of this checklist, as applicable. Please refer to Chapter 8 of the Section 232 Asset Management Handbook for further description of HUD’s requirements related to post-closing modifications and/or additions of a master lease.
* Please use the instructions provided in the **Transaction Determinant Factors** section of checklist that follows to identify the checklist exhibits that must be included with the submission application. Please also note the corresponding **Transaction Determinant Code** that is generated based on these factors (e.g.,**[1] [2] [3] [4] [5]**). This code will serve as a guide to identify the corresponding sections of the Lender Narrative that must also be addressed and submitted with this application.
* Please include a completed checklist with all submissions. Check the appropriate boxes for items included in each submission. Submissions are to be provided in order of the Checklist, with exhibits numbered accordingly. If a category is determined to be not applicable, applicant shall describe, in sufficient detail, the justification for such omission and cross-reference to the applicable section(s) of this checklist.
* All Change of Ownership submissions determined to be substantially deficient shall be returned to the applicant without review and the processing of such application will be placed on hold until a sufficient application is submitted in accordance with the requirements of this checklist.
* The assigned Account Executive shall be responsible for notifying applicants of deficiencies in their application, and when warranted, issue approval.

**Transaction Determinant Factors:**

| **Key Questions** | **Yes** |  | **No** |
| --- | --- | --- | --- |
| 1. Will there be a change in the control of the project ownership? |  |  |  |
| * 1. Will a significant sum of money (any amount that exceeds 10% of the original loan amount), change hands in conjunction with the transaction?  N/A |  |  |  |
| 1. Does this transaction involve the transfer of title from the Borrower entity to a buyer, including conveyance by installment sales contract, land contract, or wrap-around mortgage? |  |  |  |
| 1. Does this transaction involve the transfer of any interest in a partnership Borrower that causes a dissolution of the partnership under applicable state law? |  |  |  |
| 1. Does this transaction involve the transfer of the beneficial interest in a passive trust that results in a change in control and management of the asset, although legal title remains in the trustee? |  |  |  |
| *If you answered “Yes” to any of the* ***Key Questions 1 through 4*** *above, you must  provide the applicable documents requested in the checklist exhibits and complete  those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the corresponding code* **[1]** *Please check the box here and move on.*  **[1]** | | | |
| 1. Does this transaction involve the transfer of interests in entities owning properties with the following characteristics? (If you answered “Yes” to this question, please check the box of the applicable characteristics from the list below.) |  |  |  |
| * 1. Any transfer of partnership interests in excess of 50% that do not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has no identity-of-interest with the partnership and is licensed to practice law in the state where the partnership is organized.   2. Addition or substitution of a managing or controlling member in a Limited Liability Company (LLC).   3. The substitution of one or more of the general partners of a limited partnership Borrower that does not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has  no identity-of-interest with the partnership and is licensed to practice law in the state where the project is located.   4. A transfer of stock of a corporate general partner of a partnership  where such transfer results in one person or entity controlling in  excess of 50% of the stock of a publicly traded entity or closely held corporation, where such transfer results in a change of control of the corporate general partner.   5. A transfer of stock of a corporate Borrower where such transfer  results in one person or entity, other than the original controlling  entity, controlling stock in excess of 50%, or an amount less than 50% where such a transfer results in a change of control of the corporate Borrower.   6. Transfer of a beneficial interest in a passive trust that does not  result in a change in control of the property.   7. Other entities not falling into categories above, where the managing control is changing (e.g., a change to a corporate officer or voting board member of a non-profit corporation). |  |  |  |
| *If you answered “Yes” to* ***Key Question 5*** *above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the  corresponding code* **[2]** *Please check the box here and move on.*  **[2]** | | | |
| 1. Does the transaction involve a change of the Internal Revenue Service (IRS) Reporting Structure (i.e., when a Borrower changes from Limited Partner (LP) to LLC, but all principals remain the same and the tax identification number (TIN) is not changing? |  |  |  |
| *If you answered “Yes” to* ***Key Questions 6*** *above, you must provide the applicable  documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the  corresponding code* **[3].** *Please check the box here and move on.* **[3]** | | | |
| 1. Does this transaction also include a change of the Operator |  |  |  |
| 1. Does this transaction also include a change of the Management Agent? |  |  |  |
| *If you answered “Yes” to* ***Key Questions 7 and/or 8*** *above, you must provide the  applicable documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with  the corresponding code* **[4]** *and/or* **[5],** *respectively*. *Please check the box here and  move on.* **[4]**and/or **[5]** | | | |

| **No.** | **Item** | **Incl.** | **N/A** |
| --- | --- | --- | --- |
|  | **92201-a\_**Completed **Change of Ownership** Checklist **[1] [2] [3] [4] [5]** |  |  |
|  | **92202-a\_Lender Narrative** for Change of Ownership Application (Form HUD-92266-ORCF) **[1] [2]** |  |  |
|  | **92203-a\_**Contact Sheet (Form HUD-90024-ORCF) **[1] [2]** |  |  |
|  | **92204-a\_**Letter describing proposed change in organizational structure **[3]**  This letter, submitted on the Lender’s or Borrower’s letterhead, must provide a brief narrative that describes the proposed change of the IRS reporting structure and confirm that all principals of the borrower and the tax identification number (TIN) will remain the same. |  |  |
|  | **92205-a\_**Lender’s Consent **[2]** |  |  |
|  | **92206-a\_**Application fee\* (Pay.gov receipt) **[1] [2]**  \**An application fee $0.50 per $1,000 of the original face amount of the HUD-insured loan is required. The same application fee is required if the proposed transaction involves:*   * *Transfer of more than fifty percent (50%) of “partnership” Mortgagor’s Interest* * *Transfer of more than fifty percent (50%) of the Corporate Stock of “Corporate Mortgagor”* * *Transfer of less than fifty percent (50%) of the corporate stock of “Corporate Mortgagor” if the result is a “Change in Control” of Corporate Mortgagor* |  |  |
|  | Organizational Documents **[1] [2] [3]**  Include for Borrower and Principals [OR] New Borrower and New Principals [OR] New Borrower’s Managing Member/General Partner and/or any entity in New Borrower’s signature block, as applicable.   1. **92207-a\_**Organizational Charts *(current and proposed)* 2. **92207-b\_**Organizational certification 3. **92207-c\_**Formation documents, as amended 4. **92207-d\_**Governing documents, as amended 5. **92207-e\_**Authorizing resolution 6. **92207-f\_**Status certificates   Borrower’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92207-g\_**Articles of Incorporation | **92207-j\_**Partnership Agreement | | **92207-h\_**Bylaws | **92207-k\_**Certificate of Partnership | | **92207-i\_**Authorizing Resolutions | **92207-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92207-m\_**Articles of Organization |  | | **92207-n\_**Operating Agreement |  | | **92207-o\_**Authorizing Resolutions |  |   Principal of Borrower’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92207-p\_**Articles of Incorporation | **92207-s\_**Partnership Agreement | | **92207-q\_**Bylaws | **92207-t\_**Certificate of Partnership | | **92207-r\_**Authorizing Resolutions | **92207-u\_**Authorizing Resolutions | |  |  | | LLC |  | | **92207-v\_**Articles of Organization |  | | **92207-w\_**Operating Agreement |  | | **92207-x\_**Authorizing Resolutions |  | |  |  |
|  | **92208-a\_**Qualifications/Resumes *(Purchaser/New Borrower, and/or New Operator and/or New Management Agent)* **[1] [2] [4] [5]**  Provide evidence for the business entity and each of its principals |  |  |
|  | **92209-a\_**Attorney’s Opinion **[1] [2] [3] [4] [5]**  See sample from Attorney’s Certification on Execution and Recordation |  |  |
|  | **92210-a\_**Evidence of registration for New Ownership entity in Business Partner Registration System (BPRS) **[1] [2] [3] [4] [5]** |  |  |
|  | **92211-a\_**Application for Facility License **[OR]** copy of License with name of New Operator entity **[1] [3] [4]** |  |  |
|  | Evidence of title insurance **[1] [3]**   1. **92212-a\_**Pro forma title endorsement   [OR]   1. **92212-b\_**Pro forma ALTA Loan Title Insurance Policy |  |  |
|  | **92213-a\_**Executed Purchase and Sale Agreement **[1]** |  |  |
|  | **92214-a\_**HUD-92228-ORCF Proposed Bill of Sale and Assignment **[1] [3]** |  |  |
|  | **92215-a\_**Draft Release, Assumption, and/or Modification Agreement **[1]**  As applicable if New Borrower is assuming the Security Instrument and/or Regulatory Agreement. If property is also being removed from Master Lease and forms used are dated prior to 06/2019, this Agreement must also remove/change all references to the Master Tenant/Lease in Security Instrument and Regulatory Agreement – Borrower. |  |  |
|  | **92216-a\_**Copy of Borrower’s Regulatory Agreement(s) **[1] [2] [3]**  HUD-92466-ORCF or HUD-92466 form; include Amendments, as applicable  ***Please note:*** *Unless a refinance takes place at the same time as the Change of Ownership transaction, the original Regulatory Agreement will remain in place. ORCF will not allow the change of underlying documents that are to remain in place with the project, as they were approved at the time of its original underwriting and review. However, if the project is also being removed from a Master Lease, the Borrower’s Regulatory Agreement will need to be amended to remove/replace all references to the Master Tenant/Lease.* |  |  |
|  | New Borrower’s (or New Operator’s) Security Agreement **[1] [4]**  As applicable for a New Borrower, if New Borrower is not assuming a Form HUD-94000-ORCF security instrument or other sufficient security agreement.   1. **92217-a\_**New Borrower’s (or New Operator’s) Security Agreement\* 2. **92217-b\_**UCC Financing Statement (County) 3. **92217-c\_**UCC Financing Statement (State)   \**Use the Operator Security Agreement (Form HUD-92323-ORCF) for new operators. If Project is also being removed from a Master Lease during this CHOP, and existing Operator Security Agreement form is dated prior to 06/2019, an Amendment must remove/change all references to Master Tenant/Lease.* |  |  |
|  | Deposit Control Agreement(s) **[1]**  If the project is also being removed from a Master Lease, these documents must be changed to apply to accounts other than the Master Tenant’s accounts.   1. **92218-a\_**Deposit Account Control Agreement (DACA) 2. **92218-b\_**Deposit Account Instructions and Services Agreement (DAISA) *(if applicable)* |  |  |
|  | Evidence of Professional Liability Insurance (PLI) Coverage for New Operator **[1] [3]**   1. **92219-a\_**ACORD Certificate of PLI 2. **92219-b\_**Schedule of facilities covered by policy 3. **92219-c\_**Potential claims certification 4. **92219-d\_**Evidence of insurer’s rating |  |  |
|  | **92220-a\_**Six-year loss history of all claims against New Borrower/New Operator/New Parent of the Operator/New Management Agent and Principals *(if Owner Operated)* **[1] [4] [5]**  Submit a six-year loss history of professional liability claims filed against entity for all facilities. The six-year loss history should be provided in annual summary form (prepared by the insurance company or third-party administrator). |  |  |
|  | Draft Operating Lease (or Sublease) **[1] [2] [4]**  If property is being removed from a Master Lease, the existing Operator Sublease between the Master Tenant and the Operator must be terminated and a new Operating Lease between Owner and Operator must be submitted. If property is entering/changing a Master Lease, an Operating Lease between correct Master Tenant and Operator must be submitted.   1. **92221-a\_**Draft Estoppel Certificate (HUD-91117-ORCF) 2. **92221-b\_**Draft Operating Lease with attached Addendum to Operating Lease  (HUD-91116-ORCF) 3. **92221-c\_**Draft Memorandum of Operating Lease 4. **92221-d\_**Draft Subordination (Non-Disturbance and Attornment) Agreement  (HUD-91110-ORCF) |  |  |
|  | New Master Lease **[1]**  As applicable, for transactions that require a new master lease to include the subject project.   1. **92222-a\_**Organizational Documents of Master Tenant 2. **92222-b\_**HUD-92211-ORCF Master Lease, with attached Master Lease Addendum 3. **92222-c\_**HUD-92331-ORCF Cross-Default Guaranty of Subtenants 4. **92222-d\_**HUD-92333-ORCF Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 5. **92222-e\_**HUD-92335-ORCF Guide for Opinion of Master Tenant’s Counsel 6. **92222-f\_**HUD-92337-ORCF Healthcare Regulatory Agreement – Master Tenant 7. **92222-g\_**HUD-92339-ORCF Master Tenant Estoppel Certificate 8. **92222-h\_**HUD-92340-ORCF Master Tenant Security Agreement 9. **92222-i\_**HUD-92334-ORCF Master Tenant Assignment of Leases and Rents 10. **92222-j\_**Memorandum of Master Lease 11. **92222-k\_**Master TenantUCC Financing Statement (County) 12. **92222-l\_** Master TenantUCC Financing Statement (State) |  |  |
|  | Modification of Existing Master Lease **[1]**  As applicable, for transactions that result in the subject project being added to a previously approved master lease **[OR]** for transactions with a change in the operator/subtenant for a project subject to an existing master lease   1. **92223-a\_**Organizational Chart of Master Tenant 2. **92223-b\_**HUD-92339-ORCF, Draft Master Tenant Estoppel Certificate with attached existing Master Lease 3. **92223-c\_**HUD Master Lease Addendum (HUD-92211-ORCF) 4. **92223-d\_**Draft Amendment/Joinder to Existing Master Lease 5. **92223-e\_**HUD-92331-ORCF Existing Cross-Default Guaranty of Subtenants 6. **92223-f\_**Draft Amendment/Joinder to Cross-Default Guaranty of Subtenants 7. **92223-g\_**Memorandum of Master Lease 8. **92223-h\_**HUD-92337-ORCF Healthcare Regulatory Agreement – Master Tenant and/or Amendment thereto 9. **92223-i\_**HUD-92340-ORCF Master Tenant Security Agreement and/or Amendment thereto 10. **92223-j\_**HUD-92334-ORCF Master Tenant Assignment of Leases and Rents and/or Amendment thereto 11. **92223-k\_**Master Tenant UCC-1 Financing Statements (County) 12. **92223-l\_**Master Tenant UCC-1 Financing Statements (State) 13. **92223-m\_**HUD-92333-ORCF Master Lease Subordination [, Non-Disturbance and Attornment] Agreement and/or Amendment thereto 14. **92223-n\_**HUD-92335-ORCF Guide for Opinion of Master Tenant’s Counsel |  |  |
|  | Master Lease Release Documents **[1]**  As applicable, for transactions that result in the subject project being removed from an existing Master Lease, if that Master Lease will continue to exist after this project’s departure.   1. **92224-a\_**Mortgagee Letter of Recommendation 2. **92224-b\_**Master Lease Analysis *(Optional worksheet available on ORCF website)* 3. **92224-c\_**HUD-92211-ORCF, Copy of Master Lease and Master Lease Addendum, including all amendments and joinders 4. **92224-d\_**Draft Amendment to HUD Master Lease [*please see* Amendment to HUD Master Lease (Partial Termination and Release) (HUD-92342-ORCF) for sample language] 5. **92224-e\_**HUD-92331-ORCF, Copy of existing Cross Default Guaranty of Subtenants 6. **92224-f\_**Draft Amendment to Cross-Default Guaranty of Subtenants 7. **92224-g\_**Copy of Recorded Memorandum of Master Lease 8. **92224-h\_**Draft Termination of Memorandum of Master Lease 9. **92224-i\_**HUD-92340-ORCF, Copy of Master Tenant Security Agreement 10. **92224-j\_**Draft Termination of Master Tenant Security Agreement 11. **92224-k\_**HUD-92334-ORCF, Copy of Recorded Master Tenant Assignment of Leases and Rents 12. **92224-l\_**Draft Termination of Master Tenant Assignment of Leases and Rents 13. **92224-m\_**HUD-92333-ORCF, Copy of Recorded Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 14. **92224-n\_**Draft Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 15. **92224-o\_**HUD-92337-ORCF, Copy of Recorded Healthcare Regulatory Agreement – Master Tenant 16. **92224-p\_**Draft Release of Healthcare Regulatory Agreement – Master Tenant 17. **92224-q\_**Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state) 18. **92224-r\_**Draft Termination of Master Tenant UCC-1 Financing Statements (county and state) 19. **92224**-**s**\_HUD-92339-ORCF, Master Tenant Estoppel Certificate 20. **92224-t\_**AR Lender confirmation that Master Lease Release will not be considered a default under the AR loan documents |  |  |
|  | Master Lease Termination **[1]**  As applicable, for transactions where the existing Master Lease is being terminated as a result of the CHOP.   1. **92225-a\_**Copy of Master Lease and Master Lease Addendum (HUD-92211-ORCF), including all amendments and joinders 2. **92225-b\_**Draft Amendment to HUD Master Lease (Partial Termination and Release (HUD-92342-ORCF) 3. **92225-c\_**Copy of Recorded Memorandum of Master Lease 4. **92225-d\_**Draft Termination of Memorandum of Master Lease 5. **92225-e\_**Copy of Cross Default Guaranty of Subtenants (HUD-92331-ORCF) 6. **92225-f\_**Draft Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF) 7. **92225-g\_**Copy of Master Tenant Security Agreement (HUD-92340-ORCF) 8. **92225-h\_**Draft Termination of Master Tenant Security Agreement 9. **92225-i\_**Copy of Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 10. **92225-j\_**Draft Termination of Master Tenant Assignment of Leases and Rents 11. **92225-k\_**Copy of Recorded Master Lease Subordination [, Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF) 12. **92225-l\_**Draft Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 13. **92225-m\_**Copy of Recorded Healthcare Regulatory Agreement – Master Tenant 14. **92225-n\_**Draft Release of Healthcare Regulatory Agreement – Master Tenant 15. **92225-o\_**Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state) 16. **92225-p\_**Draft Termination of Master Tenant UCC-1 Financing Statements (county and state) 17. **92225-q\_**AR Lender confirmation that Master Lease Termination will not be considered a default under the AR loan documents |  |  |
|  | Accounts Receivable (AR) Financing Documents **[1]**   1. **92226-a\_**HUD-90020-ORCF Accounts Receivable Financing Certification 2. **92226-b\_**HUD-92322-ORCF Draft, Intercreditor Agreement, Redlined Version 3. **92226-c\_**HUD-92323-ORCF Cash flow chart, as attached to the Operator Security Agreement 4. **92226-d\_**AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges 5. **92226-e\_**AR Loan Note(s) 6. **92226-f\_**All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and/or blocked account agreements in favor of the AR Lender 7. **92226-g\_**All guaranties, pledges and/or other side agreements in favor of the AR Lender 8. **92226-h**\_Accounts Receivable Financing Terms Memo *(optional supplement)* |  |  |
|  | Secondary Financing Documents *(as applicable)* **[1]**   1. **92227-a\_**Secondary financing documents *(as amended by HUD’s Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing)* 2. **92227-b\_**Promissory Note (s) 3. **92227-c\_**HUD 91710-ORCF, Residual Receipts Note *(to be submitted for each unsecured promissory note when Borrower is a non-profit entity)* 4. **92227-d\_**HUD-92223-ORCF, Surplus Cash Note *(to be submitted for each unsecured promissory note when Borrower is a for-profit entity)* 5. **92227-e\_**HUD-92420-ORCF, Subordination Agreement *(to be submitted if a governmental source is providing secured, secondary financing)* |  |  |
|  | Commercial Space Leases *(as applicable)* **[1]**   1. **92228-a\_**Estoppel Certificate 2. **92228-b\_**Commercial Lease **[OR]** Assignment and Assumption Agreement 3. **92228-c\_**Subordination Agreement |  |  |
|  | Previous Participation Certification for Borrower, Operator, Management Agent, and all required controlling participants *(as applicable)* **[1] [2] [4] [5]**  See Housing Notice 2016-15 for additional guidance on the Previous Participation Certification   1. **92229-a\_**Previous Participation Certification: Complete HUD-90012-ORCF through HUD-90021-ORCF *(as applicable)*, *Previous Participation Certification* Section, include Attachment 1, and Register Controlling Participants in the Business Partner Registration System (BPRS)   **{OR}**   1. **92229-b\_**Active Partners Performance System (APPS) Submittal: Previous Participation Certification via the Active Partners Performance System (APPS). Include a copy of the signature pages in the application |  |  |
|  | **92230-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92231-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92232-a\_**HUD-91126-ORCF, Financial Statement Certification – Borrower **[1]** |  |  |
|  | **92233-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Credit reports for New Borrower and Principals *(or new principals of an existing Borrower)* **[1] [2] [4] [5]**   1. **92234-a\_**New Borrower 2. **92234-b\_**Principal of Borrower *If a principal is a business entity (i.e., corporation, partnership) with an operating history, a credit report is required only on the business firm, not the owners of the firm.* 3. **92234-c\_**Sampling of Principal’s Other Business Concerns **(Credit reports from 10% of the entities listed on the attached Consolidated Certification)** |  |  |
|  | Organizational Documents – New Operator *(as applicable)* **[1] [2] [4]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92235-a\_**Organizational Charts *(current and proposed)* 2. **92235-b\_**Organizational certification 3. **92235-c\_**Formation documents, as amended 4. **92235-d\_**Governing documents, as amended 5. **92235-e\_**Authorizing resolution 6. **92235-f\_**Status certificates   Operator’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92235-g\_**Articles of Incorporation | **92235-j\_**Partnership Agreement | | **92235-h\_**Bylaws | **92235-k\_**Certificate of Partnership | | **92235-i\_**Authorizing Resolutions | **92235-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92235-m\_**Articles of Organization |  | | **92235-n\_**Operating Agreement |  | | **92235-o\_**Authorizing Resolutions |  | |  |  |
|  | Organizational Documents – New Parent of the Operator *(as applicable)* **[1] [2] [4]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92236-a\_**Organizational Charts *(current and proposed)* 2. **92236-b\_**Organizational certification 3. **92236-c\_**Formation documents, as amended 4. **92236-d\_**Governing documents, as amended 5. **92236-e\_**Authorizing resolution 6. **92236-f\_**Status certificates   Parent of the Operator’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92236-g\_**Articles of Incorporation | **92236-j\_**Partnership Agreement | | **92236-h\_**Bylaws | **92236-k\_**Certificate of Partnership | | **92236-i\_**Authorizing Resolutions | **92236-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92236-m\_**Articles of Organization |  | | **92236-n\_**Operating Agreement |  | | **92236-o\_**Authorizing Resolutions |  | |  |  |
|  | **92237-a\_**HUD-92466A-ORCF Draft Operator’s Regulatory Agreement **[1] [2] [4]**  *If the project is also being removed from a Master Lease, the existing Operator’s Regulatory Agreement, if dated prior to June 2019, must be amended to remove/replace all references to the Master Tenant/Lease.* |  |  |
|  | Organizational Documents – New Management Agent *(as applicable)* **[1] [2] [5]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92238-a\_**Organizational Charts *(current and proposed)* 2. **92238-b\_**Organizational certification 3. **92238-c\_**Formation documents, as amended 4. **92238-d\_**Governing documents, as amended 5. **92238-e\_**Authorizing resolution 6. **92238-f\_**Status certificates   Management Agent’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92238-g\_**Articles of Incorporation | **92238-j\_**Partnership Agreement | | **92238-h\_**Bylaws | **92238-k\_**Certificate of Partnership | | **92238-i\_**Authorizing Resolutions | **92238-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92238-m\_**Articles of Organization |  | | **92238-n\_**Operating Agreement |  | | **92238-o\_**Authorizing Resolutions |  | |  |  |
|  | Credit reports for New Operator Entity and New Parent of the Operator *(as applicable)* **[1] [2] [4]**   1. **92239-a\_**Credit reports for New Operator Entity and New Parent of the Operator 2. **92239-b\_**Sampling of Other Business Concerns of New Operator (Credit reports from 10% of the entities listed on the attached Consolidated Certification) 3. **92239-c\_**Sampling of Other Business Concerns of New Parent of the Operator (Credit reports from 10% of the entities listed on the attached Consolidated Certification) |  |  |
|  | **92240-a\_**Sources and uses of funds statement **[1]** |  |  |
|  | **92241-a\_**Pro forma balance sheet of New Borrower **[1]** |  |  |
|  | **92242-a\_**Lender’s statement of escrow and reserve accounts **[1]** |  |  |
|  | **92243-a\_**Project Capital Needs Assessment (PCNA) **[1] [2]**  Provide if 10 years or more since last PCNA |  |  |
|  | **92244-a\_**Consolidated Certifications HUD-90013-ORCF through HUD-90021 *(as applicable)* **[1]**  Include overall star ratings for every facility listed and any star rating category two (2) or below. |  |  |
|  | **92245-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92246-a\_ THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92247-a\_ THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Management Agent Documents *(as applicable)* **[5]**   1. **92248-a\_**HUD-9839-ORCF Management Agent Certification 2. **92248-b\_**INTENTIONALLY LEFT BLANK 3. **92248-c\_**Management Agent Agreement 4. **92248-d\_**HUD-92071-ORCF Management Agreement Addendum |  |  |
|  | Financial Detail of Existing Operator **[4]**   1. **92249-a\_**Aging of Accounts Receivable 2. **92249-b\_**Aging of Accounts Payable |  |  |
|  | **92250-a\_**Evidence that HUD-935.2A, Affirmative Fair Housing Marketing Plan (AFHMP), has been reviewed and is current **[1] [2] [3]**  Applicable if AFHMP was required during the firm application process of the existing loan  ***Please note*** *HUD requires a Borrower to review a project’s AFHMP every five (5) years for projects where AFHMP was required during the firm application process of the existing loan.* |  |  |
|  | **92251-a\_**State Regulatory Agency/Centers for Medicare & Medicaid Services (CMS) **[1] [2]**  Provide statement listing any unresolved issues with state regulatory agency/CMS for all facilities owned, managed, or operated. |  |  |

**Final Approval Process**

If HUD required any changes to the documents submitted during the Preliminary Approval review, the applicant’s attorney must certify to HUD that the required changes have been made. The applicant has 45 working days from the date of preliminary approval to submit all executed and recorded documentation to HUD. The preliminary approval shall be the date on the letter. Where the applicant finds that he/she is unable to submit the appropriate documentation within the required time period, a written request for an extension of time must be submitted to HUD. This request must explain the reason for the delay. The applicant must provide the following items for final approval:

| **No.** | **Item** | **Incl.** | **N/A** |
| --- | --- | --- | --- |
|  | **92252-a\_Recorded** Release, Assumption, and/or Modification Agreement **[1]**  As applicable, if New Borrower is assuming the Security Instrument and/or Regulatory Agreement |  |  |
|  | **92253-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92254-a\_**HUD-92466A-ORCF **Recorded** Operator’s Regulatory Agreement, Riders **[1] [2] [4]** |  |  |
|  | **Executed** Operating Lease (or Sublease) **[1] [2] [4]**   1. **92255-a\_**Estoppel Certificate (HUD-91117-ORCF) 2. **92255-b\_** Operating Lease with attached Addendum to Operating Lease  (HUD-91116-ORCF) 3. **92255-c\_Recorded** Memorandum of Operating Lease 4. **92255-d\_Recorded** Subordination (Non-Disturbance and Attornment) Agreement (HUD-91110-ORCF) |  |  |
|  | **92256-a\_**Copy of License with Name of New Operator entity **[1] [3] [4]** |  |  |
|  | **Executed** New Master Lease **[1]**  As applicable, for transactions that require a new master lease to include the subject project   1. **92257-a\_**Organizational Documents of Master Tenant 2. **92257-b\_**HUD-92211-ORCF **Executed** Master Lease, with attached Master Lease Addendum 3. **92257-c\_**HUD-92331-ORCF **Executed** Cross-Default Guaranty of Subtenants 4. **92257-d\_**HUD-92333-ORCF **Recorded** Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 5. **92257-e\_**HUD-92335-ORCF **Executed** Opinion of Master Tenant’s Counsel 6. **92257-f\_**HUD-92337-ORCF **Recorded** Healthcare Regulatory Agreement – Master Tenant 7. **92257-g\_**HUD-92339-ORCF **Executed** Master Tenant Estoppel Certificate 8. **92257-h\_**HUD-92340-ORCF **Executed** Master Tenant Security Agreement 9. **92257-i\_**HUD-92334-ORCF **Recorded** Master Tenant Assignment of Leases and Rents 10. **92257-j\_Recorded** Memorandum of Master Lease 11. **92257-k\_Recorded** UCC Financing Statement (County) 12. **92257-l\_Filed** UCC Financing Statement (State) |  |  |
|  | **Executed** Master Lease Release Documents **[1]**  As applicable, for transactions that result in the subject project being removed from an existing Master Lease, if that Master Lease will continue to exist after this project’s departure.   1. **92258-a\_**HUD-92342-ORCF, **Executed** Amendment to HUD Master Lease 2. **92258-b\_**HUD-92341-ORCF, **Executed** Amendment to Cross-Default Guaranty of Subtenants 3. **92258-c\_Recorded** Termination of Memorandum of Master Lease 4. **92258-d\_Executed** Termination of Master Tenant Security Agreement 5. **92258-e\_Recorded** Termination of Master Tenant Assignment of Leases and Rents 6. **92258-f\_Recorded** Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 7. **92258-g\_Recorded** Release of Healthcare Regulatory Agreement – Master Tenant 8. **92258-h\_Recorded** Termination of Master Tenant UCC-1 Financing Statements 9. **92258-i\_**HUD-92339-ORCF, **Executed** Master Tenant Estoppel Certificate |  |  |
|  | Modification of Existing Master Lease **[1]**  As applicable, for transactions that result in the subject project being added to a previously approved master lease **[OR]** for transactions with a change in the operator/subtenant for a project subject to an existing master lease   1. **92259-a\_**Organizational Chart of Master Tenant 2. **92259-b\_**HUD-92339-ORCF, **Executed** Master Tenant Estoppel Certificate with attached existing Master Lease 3. **92259-c\_**HUD Master Lease Addendum (HUD-92211-ORCF) 4. **92259-d\_Executed** Joinder to Existing Master Lease 5. **92259-e\_**HUD-92331-ORCF Existing Cross-Default Guaranty of Subtenants 6. **92259-f\_Executed** Amendment/Joinder to Cross-Default Guaranty of Subtenants 7. **92259-g\_Recorded** Memorandum of Master Lease 8. **92259-h\_**HUD-92337-ORCF **Recorded** Healthcare Regulatory Agreement – Master Tenant and/or Amendment thereto 9. **92259-i\_**HUD-92340-ORCF **Executed** Master Tenant Security Agreement or Amendment thereto 10. **92259-j\_**HUD-92334-ORCF **Recorded** Master Tenant Assignment of Leases and Rents 11. **92259-k\_**R**ecorded** Master Tenant UCC-1 Financing Statements (County and State) 12. **92259-l\_**HUD-92333-ORCF **Recorded** Master Lease Subordination [, Non-Disturbance and Attornment] Agreement or Amendment thereto 13. **92259-m\_**HUD-92335-ORCF **Executed** Opinion of Master Tenant’s Counsel |  |  |
|  | Master Lease Termination **[1]**  As applicable, for transactions where the existing Master Lease is being terminated as a result of the CHOP.   1. **92260-a\_Executed** Amendment to HUD Master Lease (Partial Termination and Release) (HUD-92342-ORCF) 2. **92260-b\_Recorded** Termination of Memorandum of Master Lease 3. **92260-c\_Executed** Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF) 4. **92260-d\_Executed** Termination of Master Tenant Security Agreement 5. **92260-e\_Executed** Termination of Master Tenant Assignment of Leases and Rents 6. **92260-f\_Recorded** Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 7. **92260-g\_Recorded** Release of Healthcare Regulatory Agreement – Master Tenant 8. **92260-h\_Recorded** Termination of Master Tenant UCC-1 Financing Statements (County and State) |  |  |
|  | **Executed** Secondary Financing Documents *(as applicable)* **[1]**   1. **92261-a\_Recorded** *(as appropriate)* Secondary financing documents *(as amended by HUD’s Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing)* 2. **92261-b\_**Promissory Note(s) 3. **92261-c\_**HUD 91710-ORCF, Residual Receipts Note *(to be submitted for each unsecured promissory note when Borrower is a non-profit entity)* 4. **92261-d\_**HUD-92223-ORCF, Surplus Cash Note *(to be submitted for each unsecured promissory note when Borrower is a for-profit entity)* 5. **92261-e\_**HUD-92420-ORCF, **Recorded** Subordination Agreement *(to be submitted if a governmental source is providing secured, secondary financing)* |  |  |
|  | **92262-a\_Recorded** Deed *(if applicable)* **[1]** |  |  |
|  | New Borrower’s (or New Operator’s) **Executed** Security Agreement **[1] [4]**  As applicable for a New Borrower, if New Borrower is not assuming a Form HUD-94000-ORCF security instrument or other sufficient security agreement)   1. **92263-a\_**New Borrower’s (or New Operator’s) **Recorded** Security Agreement\* 2. **92263-b\_Recorded** UCC Financing Statement (County) 3. **92263-c\_Filed** UCC Financing Statement (State)   \**Use the Operator Security Agreement (Form HUD-92323-ORCF) for new operators.* |  |  |
|  | Evidence of title insurance *(as applicable)* **[1] [3]**   1. **92264-a\_**Title endorsement   [OR]   1. **92264-b\_**ALTA Loan Title Insurance Policy |  |  |
|  | **Executed** Deposit Control Agreement(s) **[1]**   1. **92265-a\_**Deposit Account Control Agreement (DACA) 2. **92265-b\_**Deposit Account Instructions and Services Agreement (DAISA) *(if applicable)* |  |  |
|  | **Executed** Accounts Receivable (AR) Financing Documents *(as applicable)* **[1]**   1. **92266-a\_**HUD-90020-ORCF Accounts Receivable Financing Certification 2. **92266-b\_**HUD-92322-ORCF Executed Intercreditor Agreement 3. **92266-c\_**HUD-92323-ORCF Cash flow chart, as attached to the Operator Security Agreement 4. **92266-d\_**AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges 5. **92266-e\_**AR Loan Note(s) 6. **92266-f\_**All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and/or blocked account agreements in favor of the AR Lender 7. **92266-g\_**All guaranties, pledges and/or other side agreements in favor of the AR Lender |  |  |
|  | **92267-a\_Attorney’s Opinion [1] [2] [3] [4]**  See sample Attorney’s Certification of Changes |  |  |
|  | **92268-a\_**HUD-92228-ORCF **Executed** Bill of Sale and Assignment **[1] [3]** |  |  |
|  | **Final** Organizational Documents **[1] [2] [3]**  Include for Borrower and Principals [OR] New Borrower and New Principals [OR] New Borrower’s Managing Member/General Partner and/or any entity in New Borrower’s signature block, as applicable.   1. **92269-a\_**Organizational Charts *(current and proposed)* 2. **92269-b\_**Organizational certification 3. **92269-c\_**Formation documents, as amended 4. **92269-d\_**Governing documents, as amended 5. **92269-e\_**Authorizing resolution 6. **92269-f\_**Status certificates   Borrower’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92269-g\_**Articles of Incorporation | **92269-j\_**Partnership Agreement | | **92269-h\_**Bylaws | **92269-k\_**Certificate of Partnership | | **92269-i\_**Authorizing Resolutions | **92269-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92269-m\_**Articles of Organization |  | | **92269-n\_**Operating Agreement |  | | **92269-o\_**Authorizing Resolutions |  |   Principal of Borrower’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92269-p\_**Articles of Incorporation | **92269-s\_**Partnership Agreement | | **92269-q\_**Bylaws | **92269-t\_**Certificate of Partnership | | **92269-r\_**Authorizing Resolutions | **92269-u\_**Authorizing Resolutions | |  |  | | LLC |  | | **92269-v\_**Articles of Organization |  | | **92269-w\_**Operating Agreement |  | | **92269-x\_**Authorizing Resolutions |  | |  |  |
|  | **Executed** Organizational Documents – New Operator *(as applicable)* **[1] [2] [4]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92270-a\_**Organizational Charts *(current and proposed)* 2. **92270-b\_**Organizational certification 3. **92270-c\_**Formation documents, as amended 4. **92270-d\_**Governing documents, as amended 5. **92270-e\_**Authorizing resolution 6. **92270-f\_**Status certificates   Operator’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92270-g\_**Articles of Incorporation | **92270-j\_**Partnership Agreement | | **92270-h\_**Bylaws | **92270-k\_**Certificate of Partnership | | **92270-i\_**Authorizing Resolutions | **92270-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92270-m\_**Articles of Organization |  | | **92270-n\_**Operating Agreement |  | | **92270-o\_**Authorizing Resolutions |  | |  |  |
|  | **Executed** Organizational Documents – New Parent of the Operator *(as applicable)* **[1] [2] [4]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92271-a\_**Organizational Charts *(current and proposed)* 2. **92271-b\_**Organizational certification 3. **92271-c\_**Formation documents, as amended 4. **92271-d\_**Governing documents, as amended 5. **92271-e\_**Authorizing resolution 6. **92271-f\_**Status certificates   Parent of the Operator’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92271-g\_**Articles of Incorporation | **92271-j\_**Partnership Agreement | | **92271-h\_**Bylaws | **92271-k\_**Certificate of Partnership | | **92271-i\_**Authorizing Resolutions | **92271-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92271-m\_**Articles of Organization |  | | **92271-n\_**Operating Agreement |  | | **92271-o\_**Authorizing Resolutions |  | |  |  |
|  | **Executed** Organizational Documents – New Management Agent *(as applicable)* **[1] [2] [4] [5]**  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   1. **92272-a\_**Organizational Charts *(current and proposed)* 2. **92272-b\_**Organizational certification 3. **92272-c\_**Formation documents, as amended 4. **92272-d\_**Governing documents, as amended 5. **92272-e\_**Authorizing resolution 6. **92272-f\_**Status certificates   Management Agent’s Organizational Documents  For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust   |  |  | | --- | --- | | Corporation | Partnership | | **92272-g\_**Articles of Incorporation | **92272-j\_**Partnership Agreement | | **92272-h\_**Bylaws | **92272-k\_**Certificate of Partnership | | **92272-i\_**Authorizing Resolutions | **92272-l\_**Authorizing Resolutions | |  |  | | LLC |  | | **92272-m\_**Articles of Organization |  | | **92272-n\_**Operating Agreement |  | | **92272-o\_**Authorizing Resolutions |  | |  |  |
|  | Management Agent Documents *(as applicable)* **[5]**   1. **92273-a\_**HUD-9839-ORCF Management Agent Certification 2. **92273-b\_**HUD-90017-ORCF Consolidated Certification – Management Agent 3. **92273-c\_**Management Agent Agreement 4. **92273-d\_**HUD-92071-ORCF Management Agreement Addendum |  |  |