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| **Green and Resilient Retrofit Program**  **Leading Edge Commitment** | **U.S. Department of Housing and Urban Development Office of Multifamily Housing** |

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This collection of information is required to participate in the Green and Resilient Retrofit Program (GRRP) as authorized by Section 30002 of the Inflation Reduction Act of 2022, H.R. 5376 (“IRA”), titled “Improving Energy Efficiency or Climate Resilience of Affordable Housing and subsequent appropriations. Requirements for GRRP were established in HUD Notice H 2023-05 (the “GRRP Notice”) and subsequent notices. The information will be used to determine program eligibility and provide information necessary to close on the award. There are no assurances of confidentiality.

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| **General Property Information** | | | |
| **Property Name:** |  | | |
| **Property Address:** | [STREET]  [CITY], [STATE] [ZIP] | | |
| **Property IREMS No:** |  | | |
| **Toal Number of Units:** |  | **Assisted Units:** | **Unassisted Units**: |

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| --- | --- | --- | --- | --- | --- | --- |
| **Award Information** | | | | | | |
| **GRRP Award No.:** |  | | **GRRP Application ID:** | | |  |
| **Award Date:** |  | | **Award Type:** | | | [Grant or Surplus Cash Loan/SCL] |
| **Awardee Entity Name:** |  | | | | | |
| **UEI:** |  | | **TIN:** |  | |
| **Awardee Notice Address:** | [STREET]  [CITY], [STATE] [ZIP] | | | | | |
| **Awardee Point of Contact:** | [NAME]; [EMAIL ADDRESS] | | | | | |
| **Awardee proposing to assign the Award to a different entity at closing:** | No.  Yes. Name of entity: [INSERT] | | | | | |
| **Award Amount:** | $  Per unit: $ | | **Davis-Bacon Applicability:** | | | Davis-Bacon prevailing wage rates apply  Project labor agreement |
| **Leading**  **Edge Qualifying Certification:** |  | |

The Department of Housing and Urban Development (HUD) has completed its review of your Transaction Plan that was submitted pursuant to your Leading Edge Award (“Award”) for funding under the Leading Edge Award Notice of Funding Opportunity (FR-6700-N-91C) (the “NOFO”) under the Department of Housing and Urban Development’s (HUD) Green and Resilient Retrofit Program (GRRP), as governed by HUD Notice H 2023-05 (the “GRRP Notice”) and as authorized by Section 30002 of the Inflation Reduction Act of 2022, H.R. 5376 (“IRA”), titled “Improving Energy Efficiency or Climate Resilience of Affordable Housing. Based on this review and in reliance on the accuracy of the materials you have submitted, HUD provides this Leading Edge Commitment (“LEC” or “Commitment”) as evidence that your Transaction Plan meets the applicable GRRP Leading Edge Award requirements and has been accepted by HUD. However, final approval and authority to close the Award is conditioned on the requirements set forth in this Commitment, continued compliance with GRRP Requirements, and on HUD’s final determination that all GRRP requirements have been met to HUD’s satisfaction.

Attached and incorporated into this Commitment are the following Exhibits:

* Exhibit A: Sources & Uses
* Exhibit B: Scope of Work
* Exhibit C: Special Conditions and Necessary HUD Approvals

You must notify HUD in writing of any proposed factual corrections to the transaction specific terms contained in this Commitment which, if approved, will be incorporated into the Closing Documents. Neither this Commitment nor any other agreement shall be effective or enforceable against HUD until all conditions stated herein have been satisfied in HUD’s determination.

Prior to final approval and closing of the Award, the following conditions must be satisfied:

1. Execute and return this Commitment to HUD within 14 days from the issuance date.
2. Satisfaction of the Special Conditions and Necessary HUD Approvals in Exhibit C.
3. Conduct a Post-Commitment meeting with residents as described in Section 8 of the GRRP Notice.
4. Production and submission for HUD review of the Closing Documents identified in the Leading Edge Closing Checklist within 90 days from the date of this Commitment, unless otherwise extended by HUD.
5. Review and approval of the Closing Documents by HUD.
6. Execution of such agreements, instruments, certificates and other documents as HUD may require, using forms prescribed by or acceptable to HUD, to implement the Award (the “Closing Documents”) including, without limitation, the following:
   1. The GRRP Grant or Loan Agreement;
   2. The GRRP Memorandum of Grant Agreement (Grants only)
   3. The GRRP Surplus Cash Loan Note (Surplus Cash loans only)
   4. The GRRP Surplus Cash Loan Mortgage and Security Instrument (Surplus Cash loans only)
   5. The GRRP Use Agreement;
   6. Assistance contract amendments and addendums
   7. The Owner’s closing certifications and assurances; and
   8. Subordination agreements confirming the lien position of the GRRP Use Agreement, as applicable.
7. Confirmation that pre-construction benchmarking has been completed, entered into the U.S. Environmental Protection Agency’s (EPA) Portfolio Manager, and shared with HUD.
8. Receipt and approval by HUD counsel of executed HUD form legal opinions issued by owner’s counsel. The Owner agrees to select competent counsel in connection with this transaction, and in a manner that satisfies the applicable rules of professional conduct. Counsel to the owner must provide the HUD form of legal opinion(s), as supplemented to address matters reasonably requested by HUD.
9. No material changes in the nature of the transaction as described in the Transaction Plan submission or, in the event of such changes, full disclosure of such changes. HUD shall review the transaction as revised to determine whether it remains acceptable. The final business terms shall be determined as of the Closing and reflected in the applicable Closing Documents. Your execution of the Closing Documents shall constitute acceptance of the final business terms reflected therein. The Owner’s closing certifications and assurances, listed in Section 6 above, shall reaffirm the absence of material changes relative to the information previously provided to HUD.
10. Issuance of and compliance with an escrow instructions letter produced by HUD, submitting HUD-executed and recordable documents into escrow and electronic copies of non-recordable documents and setting forth the documents which must be fully executed and held in escrow prior to release of such documents for Closing. The escrow instructions shall specify that all the enumerated documents must be complete and fully executed and shall further specify that they be recorded and/or filed, if applicable, in the manner directed in the escrow instructions. The escrow instructions shall specify that if the escrow is not released and the Closing does not occur within the timeframe specified, the HUD-executed documents must be returned to HUD, unless otherwise approved by HUD.
11. Final determination by HUD, as specified in the escrow instructions letter, that all GRRP requirements have been met to HUD’s satisfaction. This determination shall be communicated through an authorization to proceed to Closing and an authorization to release the GRRP Grant or Loan Agreement and other Closing Documents for purposes of the Closing. As used in this letter, “Closing” means execution by all parties of all binding legal instruments connected to the transaction contemplated by this letter, the GRRP Grant or Loan Agreement and, the escrow instructions and the unconditional release of such documents from escrow by all parties. Recordation of such instruments, as applicable, shall occur promptly following Closing and recordation shall be evidence of Closing. All requirements set forth in this Commitment must be completed to HUD’s satisfaction before the Closing can occur. HUD reserves the right to require additional documents or items in addition to those listed as part of HUD’s final review and determination of program compliance. In the event any of the conditions set forth in this letter are not met to HUD’s satisfaction, HUD may decline to proceed to Closing in HUD’s sole and absolute discretion. Unless otherwise set forth in writing by HUD prior to Closing, HUD’s release of the GRRP Grant or Loan Agreement for purposes of the Closing shall constitute any approvals or decisions required herein and not previously given in writing.

Regardless of whether the Closing is consummated, HUD shall not be responsible for any expenses or transaction costs incurred by you or at your direction in connection with the Closing (including without limitation, fees for consultants, attorneys, environmental contractors, tax advisors and accountants; city, county and/or state taxes and/or fees; recording fees, prepayment penalties and/or premiums; costs for title insurance and title examination; surveys and appraisals).

Simultaneous with the issuance of this Commitment, HUD will assign a HUD Field Office Counsel to work with you to finalize this transaction. Project owners shall upload the documents listed in the Leading Edge Closing Checklist to [HUD’s](http://HUD’s) Greenlight system for review by the Grant and Loan Specialist. Project owners shall submit these documents to the assigned Field Office Counsel in a format of the Field Office Counsel’s choosing.

The Grant and Loan Specialist will work with you to establish a target date for the execution of the Closing Documents. Please note that if the Closing does not occur within 6 months from the date of this Commitment unless extended by HUD, the Award may be rescinded.

If you have any questions, please contact your Grant and Loan Specialist.

**Signature Page to the Leading Edge Commitment**

**GRRP Award No:** [INSERT]

In witness whereof, the parties hereto, by their respective duly authorized representatives, have caused their names to be subscribed hereto.

*The below parties hereby certify that the information provided on this form and in any supporting documentation submitted herewith is true and accurate. The undersigned understand that any misrepresentations may be subject to civil and/or criminal penalties including, but not limited to, fine or imprisonment, or both under the provisions of Title 18, United States Code, Sections 1001 and 1010.  This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by HUD as a true statement of facts contained therein.*

HUD: United States Department of Housing and Urban Development

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Awardee: [INSERT AWARDEE ENTITY NAME]

[SIGNATURE BLOCK]

**Exhibit A: Sources & Uses**

**Exhibit B: Scope of Work**

**Exhibit C: Special Conditions and Necessary HUD Approvals**

Special Conditions:

1. [INSERT TEXT]
2. [INSERT TEXT]

Necessary HUD Approvals:

1. [INSERT TEXT]
2. [INSERT TEXT]

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Title III of the Inflation Reduction Act of 2022, H.R. 5376 (IRA), section 30002 titled “Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing,” authorizes the Green and Resilient Retrofit Program (GRRP). The program provides grants or loans for building retrofits to HUD-assisted multifamily projects with utility efficiency or climate resilience needs. The Elements cohort of the program targets properties currently undergoing a recapitalization or other transaction with HUD and offers owners a menu of green and resilient building design features for reimbursement. This information collection is used to determine eligibility of HUD-assisted multifamily properties for participation in the GRRP Elements program and the terms on which participation should occur. The purpose of the program is to fund projects that improve energy or water efficiency, enhance indoor air quality or sustainability, implement the use of zero-emission electricity generation, low-emission building materials or processes, energy storage, or building electrification strategies, or address climate resilience, of an eligible property. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.