

**Lender's Certification of
Continued First Lien Priority**

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

OMB Approval No. 2502-0618
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Public reporting burden for this collection of information is estimated to average 0.5 hours. This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation that must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. 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.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et. seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. The Housing and Community Development Act of 1987, 42 U.S.C., 3543 authorizes HUD to collect Social Security Numbers (SSN). Providing the SSN is mandatory for the sponsor, mortgagor, borrower, and the owner. Failure to provide SSN could result in disapproval of participation in this HUD program and/or display action on the proposal. Submission of the SSN by all other participants is voluntary. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Project Name: _____
FHA Project No. _____
Project Location: _____
Lender: _____

Lender (also referred to as a mortgagee in Program Obligations), executes this Lender's Certification ("Certificate") to and for the benefit of the U.S. Department of Housing and Urban Development ("HUD") as of _____.

Lender hereby certifies to HUD as follows:

1. Lender is the holder of that certain [First] Security Instrument given by Borrower (also referred to as a Mortgagor in the [First] Security Instrument) for the benefit of Lender or Lender's predecessor in interest, securing the repayment of a loan by Lender to Borrower evidenced by a promissory note ("[First] Loan") covering the above captioned FHA project.
2. *[If applicable, insert To Lender's knowledge, HUD is the holder of that certain Second Security Instrument given by Borrower for the benefit of HUD, securing the repayment of a second loan by HUD to Borrower evidenced by a second promissory note ("Second Loan," and together with the First Loan, the "Loans"). The Second Security Instrument is a valid perfected second lien on the property mortgaged therein. In connection with the Second Loan, Borrower also executed that certain Partial Payment of Claim Use Agreement ("PPC Use Agreement").]*
3. The Loan[s] will be modified upon receipt of a HUD approval letter to reduce the interest rate and extend the prepayment terms. *[If applicable, insert HUD approval is conditioned upon extending the term of the PPC Use Agreement.]*
4. Notwithstanding any modification to the [First] Loan and any recording of documents modifying the [First] Security Instrument, the [First] Security Instrument will continue to constitute a valid perfected first lien on the property mortgaged therein.
5. All appropriate Uniform Commercial Code ("UCC") financing statements, and any other documents or means required by state and local law, have been properly and timely filed as necessary and Lender holds a perfected first lien security interest under the UCC on any UCC collateral covered by the [First] Security Instrument.

6. Lender shall maintain a perfected first lien position in the property mortgaged and UCC collateral covered by the [First] Security Instrument for the life of the [First] Loan.
7. No act or omission of the Lender has or will impair the validity or priority of the [First] Security Instrument.
8. *[If applicable, insert* Notwithstanding any modification to the Loans and any recording of documents modifying the Loans, no act or omission of the Lender has impaired the validity and priority of the Second Security Instrument or the PPC Use Agreement, as amended.]
9. Lender shall furnish a complete copy of this Certificate to any successors and assigns of Lender and agrees that, in any contract for sale or assignment of the [First] Security Instrument to a successor Lender (for purposes of servicing the [First] Loan only), the successor Lender shall be bound by the certifications herein.

This Certification has been made, presented, and delivered for the purpose of influencing an official action of the FHA, and of the Commissioner, and may be relied upon by the Commissioner as a true statement of the facts contained therein.

The individual signing below on behalf of the Lender certifies that he/she is an authorized representative of the Lender, and has sufficient knowledge to make these certifications on behalf of the Lender.

This document may be executed using electronic signatures that shall be considered as original signature for all purposes and shall have the same force and effect as original signatures. "Electronic signatures" shall include manual signatures scanned to an electronic format for transmission (e.g. via portable document format); digital signatures created with the use of electronic authentication software; or such other means of electronic execution as may be sufficient to authenticate the document under governing law.

Warning: Federal law provides that anyone who knowingly or willfully submits (or causes to submit) a document containing any false, fictitious, misleading, or fraudulent statement/certification or entry may be criminally prosecuted and may incur civil administrative liability. Penalties upon conviction can include a fine and imprisonment, as provided pursuant to applicable law, which includes, but is not limited to, 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802, 24 C.F.R. Parts 25, 28 and 30, and 2 C.F.R. Parts 180 and 2424.

Lender

By:

Signature

(Print Name & Title)