

CHAPTER 3. COMMITMENT REQUIREMENTS

- 3-1. BLANKET COMMITMENT FOR INSURANCE OF INDIVIDUAL MORTGAGES (FHA FORM 3275-A). This commitment form is used to establish the conditions under which HUD-FHA will insure individual mortgages in a housing project that had not been committed for insurance under Section 234(4) Insurance of Advances (FHA Form 3283), or the Insurance Upon Completion (FHA Form 3284). It is used for conversion of projects previously insured under other Sections of the Act and in cases of 11 or less units. It is issued upon receipt of an acceptable application (FHA Form 3280) together with acceptable exhibits attached.
- 3-2. COMMITMENT FOR INSURANCE OF INDIVIDUAL MORTGAGES.
- a. Mortgagees Application (FHA Form 2900).
- (1) It will not be necessary to forward copies of the Mortgagee's Application (FHA Form 2900), nor the individual commitments (FHA Form 3275) to the Office of the Director for Unsubsidized Insured Housing Programs.
 - (2) Copies of FHA Form 2900, however, should be furnished to the Research and Statistics Division.
 - (3) Blank Firm Commitment FHA Forms 2900-4 are to be removed and destroyed since the individual firm commitments will be issued on FHA Form 3275.
 - (4) Individual commitments should be prepared in the same number and distributed in the same manner as are commitments in Section 203 cases.
 - (5) The firm individual commitments are not to be confused with the blanket form of conditional commitment. The blanket form of conditional commitment indicates the mortgage amounts which the Assistant Secretary-FHA Commissioner will insure with respect to the individual units when and if approved purchasers have been obtained for 80% (or such lesser amount approved by the Assistant Secretary-FHA Commissioner) of the value of the units in the condominium project.

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Page 3-1

HUD-Wash., D. C.

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- (3-2) b. Commitment for Insurance of Individual Mortgage (FHA Form 3275).
- (1) FHA Form 3275 is the individual mortgage insurance

commitment for use under Sections 234(c) and 235. The FHA Form 2900-4 does not have appropriate language for condominium mortgage insurance.

- (2) While the same commitment form (FHA Form 3275) is used to cover individual unit mortgage insurance under both Sections 234 and 235, the Field Office should make certain that all of the special Section 235 requirements as set forth in Reference (2) of the Foreword are met prior to issuing a firm commitment under Section 235.
- c. Change of Commitment. The maximum mortgage amount allocable to the family unit will have been determined from the project mortgage processing. Accordingly, there will be little likelihood of changes being necessary after the issuance of a commitment. In the event that any change is necessary the Home Mortgage Fiscal Procedure will be applicable. Any headquarters reference should be to the Director, Office of Unsubsidized Insured Housing Programs or in Section 235 cases to the Director, Office of Subsidized Housing Programs.