

U.S. Department of Housing and Urban Development
H O U S I N G

Special Attention of: Transmittal Handbook No.: 4440.1 CHG-6
Area Counsels, Directors of
Housing and Deputy Directors of Issued: May 26, 1983
Housing Development

1. This Transmits
Change to Handbook 4440.1, Final Closing Commitment for Project Mortgage
Insurance, dated 12/72

2. Explanation of Change:

(a) Chapter 8 has been updated.

(b) Paragraphs 8-2 and 8-3 are revised to state that should it develop
after cost certification that excess monies are released to the
contractor, recovery of such excess shall be made from the
contractor or its surety.

3. Filing Instructions:

Remove

Insert

Handbook 4440.1
Page 8-1 (and 2)
dated 12/72

Handbook 4440.1 CHG-6
Pages 8-1 and 8-2
dated 5/83

Assistant Secretary for Housing-
Federal Housing Commissioner

H: Distribution: W-3-1,W-1,W-2,W-3,W-4,R-1,R-2,R-3,R-3-1(H),
R-3-2,R-4,R-4-1,R-4-2,R-5,R-5-1,R-5-2
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING

TRANSMITTAL

4440.1 CHG 5
12/24/80

1. This Transmits:
Change to Handbook 4440.1, Final Closing Commitment for Project Mortgage
Insurance, dated 12/72.

2. Explanation of Change:

Paragraph 5-10b has been revised to provide that if the amount of the
Architect's design fee certified at cost certification is less than the
amount certified on Form FHA-2403-1, Mortgagor's and Architect's
Certificate, submitted at initial endorsement, such "savings" cannot be
used to offset overruns in other costs.

3. Filing Instructions:

Remove

Insert:

Handbook 4440.1

Handbook 4440.1 CHG-5

Pages 5-7 and 5-8
dated 5/75

Pages 5-7 and 5-8
dated 12/80
Page 5-8.1 dated 12/80

Assistant Secretary for Housing-
Federal Housing Commissioner

H:DISTRIBUTION: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-3-1(H), R-3-2,
R-4, R-4-1, R-4-2, R-5, R-5-1, R-5-2
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING

TRANSMITTAL

4440.1 CHG- 4
March 16, 1979

1. This Transmits:

Changes to HUD Handbook 4440.1, Final Closing for Project Mortgage
Insurance, dated 3/79.

2. Explanation of Changes:

Paragraphs 5-3 through 5-5 have been changed to conform to the revised
language for the Accountant's Certification contained in IG 4200.1A,
Audit Guide for Auditing Development Costs of HUD Insured Multifamily
Projects for Use by Independent Public Accountants which became
effective August 1, 1978.

3. Filing Instructions:

Remove:

Handbook 4440.1
Foreword dated 10/78
Page 5-3 dated 12/72
Pages 5-4 and 5-5
dated 4/74
Page 5-6 dated 12/72

Insert:

Handbook 4440.1 CHG-4
Foreword dated 3/79
Page 5-3 dated 12/72
Pages 5-4 and 5-5
dated 3/79
Page 5-6 dated 12/72

Assistant Secretary for Housing-
Federal Housing Commissioner

H:DISTRIBUTION: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-3-1(H) R-3-2,
R-4,R-4-1, R-4-2, R-5, R-5-1, R-5-2
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING

TRANSMITTAL NO. 3

4440.1 CHG-3

October 16, 1978

1. This Transmits:

Change to Handbook 4440.1, Final Closing Commitment for Project Mortgage
Insurance, dated 10/78.

2. Explanation of Changes:

Paragraph 5-1a, Chapter 5, has been added to require appropriate Field Office personnel to hold a pre-cost certification conference with the sponsor, general contractor, accountant and mortgagee when the project has attained a construction completion percentage of no more than 90 percent. Paragraphs 5-2a, b and c have also been revised to clarify identity of interest procedures.

3. Filing Instructions:

Remove:

Handbook 4440.1
Foreword dated 12/72
Pages 5-1 & 5-2
dated 12/72

Insert:

Handbook 4440.1 CHG-3
Foreword dated 10/78
Pages 5-1 thru 5-2.1
dated 10/78

Assistant Secretary for Housing-
Federal Housing Commissioner

H:DISTRIBUTION: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-3-1 (HM & HPMC),
R-3-2, R-4, R-4-1, R-4-2, R-5, R-5-1, R-5-2
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING PRODUCTION AND MORTGAGE CREDIT - FHA

TRANSMITTAL No. 2

4440.1 CHG-2

June 11, 1975

1. This Transmittal Transmits:

Changes to HUD Handbook 4440.1, Final Closing Commitment for Project Mortgage Insurance.

2. Explanation of Material Transmitted:

The revision to Paragraph 5-10a sets forth the requirement that when no construction contract has been executed, the upset price for construction will be the total amount approved on FHA Form No. 2328, Contractor's and/or Mortgagor's Cost Breakdown, as adjusted by the net effect of the HUD-FHA approved change orders.

3. Filing Instructions:

Remove:

Pages 5-7 and 5-8
dated 12/72
Pages 5-9 and 5-10
dated 4/74

Insert:

Pages 5-7 thru 5-10
Revised, dated 5/75

(Acting) Assistant Secretary
for Housing Production and
Mortgage Credit - FHA

H:Distribution: Tab 4, R-1, R-2, R-3, R-3-2, R-4, R-5, R4FA, W-3-1
U.S Department of Housing and Urban Development

HOUSING PRODUCTION AND MORTGAGE CREDIT

4440.1 CHG-1

CIRCULAR NO.1

April 18, 1974

SUBJECT: Final Closing Commitment for Project Mortgage Insurance

1. This Circular Transmits:

Revised Pages to HUD Handbook 4440.1, Final Closing Commitment for Project Mortgage Insurance.

2. Explanation of Material Transmitted:

All changes are for clarification of outstanding policy.

3. Filing Instructions:

Remove:

Pages 5-3 thru 5-6
Pages 5-9 and 5-10
Pages 5-13 and 5-14
dated 12/72

Insert:

Page 5-3, dated 12/72
Pages 5-4 and 5-5
Page 5-6, dated 12/72
Pages 5-9 and 5-10
Pages 5-13 and 5-14
Revised Pages dated 4/74

H:Distribution: O-3, R-1, R-2, R-3, R-3-2, R-4, R-5, R4FA, W-3-1
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

4440.1

TRANSMITTAL
NOTICE

December 27, 1972

1. This Notice Transmits the Following:

HUD Handbook 4440.1, Final Closing Commitment for Project Mortgage Insurance.

2. Explanation of Materials Transmitted:

The material herein covers the responsibilities of HUD Field Offices during the final closing period of mortgage insurance on a representative multifamily project.

3. Applicability:

The basic contents of this Handbook are the policies and procedures that were in effect as of November 30, 1972.

4. Cancellations:

The following issuances are cancelled:

FHA Manual -Volume VI, Book 2, Part B, Sections 36 and 37

H:Distribution: O-3, R-1, R-2, R-3, R-3-2, R-4, R-5, R4FA, W-3-1
4440.1

FINAL CLOSING COMMITMENT
FOR
PROJECT MORTGAGE INSURANCE

DECEMBER 1972

A HOUSING HANDBOOK

HOUSING PRODUCTION AND MORTGAGE CREDIT-FEDERAL HOUSING ADMINISTRATION

H:Distribution: O-3, R-1, R-2, R-3, R-3-2, R-4, R-5, R4FA, W-3-1
4440.1 CHG 4

FOREWORD

This Handbook outlines the basic instructions, requirements, and procedures applicable to the final closing of a multifamily project. Cases involving both insurance of advances and insurance on completion are covered.

The final closing period runs from completion of the project through final endorsement of the mortgage for insurance.

Several matters which occur after final closing but which are related to it are also covered by this Handbook. They include supplemental cost certification requirements, preparation of the Washington Docket and the Field Office Docket, and the preparation of amortization schedules.

References:

- (1) 4450.1 - Cost Estimation for Project Mortgage Insurance
- (2) 4430.1 - Initial Closing Commitment for Project Mortgage Insurance
- (3) 4435.1 - Construction Period to Final Closing for Project Mortgage insurance
- * (4) 4425.1 - Application for Firm Commitment Through Issuance of Firm Commitment for Project Mortgage Insurance
- (5) IG 4200.1A - Audit Guide for Auditing Development Costs of HUD Insured Multifamily Projects for Use by Independent Public Accountants