RESERVATION OF RENT SUPPLEMENT CONTRACT AUTHORITY

INSTRUCTIONS: An agency or lending Office is to prepare an original and four copies of this form during pre-application analysis prior to initiation of a formal application for mortgage insurance. The application is to be submitted to the Director approves the reservation. If the information concerning the project number to be entered in panel (1) is provided on reverse of form. Upon approval or disapproval, the project is to be resubmitted to the sponsor, one copy to the Assistant Regional Administrator for HUD. One copy to the Assistant Commissioner for Mortgages and Housing Programs, and one copy to the Supervisory Branch, Federal Housing Administration, Department of Housing and Urban Development, Washington, D.C. 20410.

RESERVATION OF CONTRACT AUTHORITY IS REQUESTED FOR THE PROPOSED HOUSING PROJECT DESCRIBED BELOW.

1. Project No. 2. Project Name 3. Location of Project (Street, City and State)

- Description of Project (Type of Construction)

1. Project is located in: (Check appropriate boxes)
   - "new" or "revised" neighborhood.
   - Other neighborhood.
   - "new" or "revised" neighborhood.

- Location of Project (Street, City and State)

1. Street and address of Sponsor

- Total Amount

2. Total Amount:
   - (Check appropriate boxes)
   - Special Purpose (Specify:)
   - (a) Special Purpose (Specify:)

3. RESERVATION TERMINATION DATE

4. REMARKS (Additional data or in case of disapproval, enter data here)

5. Declaration of Receipt of this Requirement

6. Date
INSTRUCTIONS TO AREA OR INSURING OFFICE FOR COMPLETING PANEL 1

The FHA project number is not to be entered in panel 1 until the director approves the reservation. The formation of the identifying project number to be entered in panel 1 of Form 2500 will depend upon whether the request for reservation of rent supplement contract authority involves an insured project mortgage transaction or a non-insured project mortgage transaction. Complete instructions for the assignment of FHA project numbers to insured mortgage transactions under sections 221 (d) (3) market rate, 221 (g) (5) BMRP, 231, 233 and 234 are contained in 635203 of the FHA manual. In order to identify those projects approved for rent supplements, the suffix letter "SUP" (for supplement) should be added to the prescribed section 211. 231. 233 or 234 project number.

Examples of the procedures to be followed in assigning FHA project numbers to non-insured project mortgage transactions for which rent supplement benefits are authorized are set forth below.

STATE OR LOCAL ASSISTED PROJECTS (WITH RENT SUPPLEMENT PAYMENTS ONLY): FHA Form 2500 is used for projects transacted under a state or local program to be identified by the office projective (collection) code and a serial number running from 1 up, followed by the letter SLA (state or local assisted). For example, the first transaction in the St. Louis, Missouri Area Office for a reservation of rent supplement contract authority on a state or local assisted project would be number 088-1-SLA. In this example, the project number to be entered in panel 1 of Form 2500 would be 088-1-SLA.

STATE OR LOCAL ASSISTED PROJECTS (WITH INTEREST REDUCTION) A rental or cooperative housing project financed under a state or local program may receive both interest reduction payments and rent supplement payments provided the project has first been approved for receiving interest reduction payments under section 236 (b) of the Act. The procedures for assigning project numbers to non-insured mortgage transactions relating to a request for interest reduction payments under section 236 (b) is provided in section 36 of FHA 6622-1, Rental Housing for Lower Income Families (Section 36). The same project number assigned to the same at the time FHA Form 3126, Request for Preliminary Reservation of Contract Authority, was executed would also be entered in panel 1 of Form 2500. For example, upon receipt of the first request in the Fort Worth, Texas Area Office for a preliminary reservation of funds to make interest reduction payments on a non-insured mortgage under the provisions of section 236 (b), the project number entered on Form 3126 would be 113-1-SHL. This project number is formed by using the projective (collection) office code and a serial number running from 1 up, followed by the letter SL (non-insured). If the non-insured mortgage has been approved for interest reduction payments, a request is received to approve the non-insured mortgage for rent supplement payments, the same project number assigned to the same at the time a preliminary reservation of funds was requested for interest reduction payments would be entered in panel 1 of Form 2500.