



4561.1

Appendix 47

FHA FORM NO. 2380
Rev. 7/75

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

Approval of Budget Bureau
not required

MAXIMUM INSURABLE MORTGAGE

Project Name: _____ Project No. _____

To: _____	_____
<i>Mortgagor</i>	<i>Mortgagor</i>
_____	_____
<i>Street</i>	<i>Street</i>
_____	_____
<i>City and State</i>	<i>City and State</i>

Dear Sirs:

This Administration, pursuant to the Agreement and Certification executed in connection with the above project, has reviewed the mortgagor's certified statement of actual cost and in reliance thereon has made certain related determinations as required under Section 227 of the National Housing Act. Accordingly, the Commissioner will endorse as insured an original credit instrument, secured by a first mortgage upon the land and property included in the project, in an amount not to exceed that set forth herein below.

It is understood, however, that any estimated items of cost may result in a further reduction of the mortgage when the actual costs are established, that such a reduction, if any, must be made in accordance with the aforesaid Agreement and Certification, and that acceptance of items "to be paid in cash within 45 days after final endorsement" is conditioned upon proof of payment of such items in cash. Failure to comply with this requirement may result in a mandatory prepayment to the mortgage.

Pursuant to Section 227 of the National Housing Act, all items approved herein are final and incontestable, except for fraud or material misrepresentation on the part of the mortgagor, as of the date of the final endorsement of the mortgage for insurance, except that items shown on FHA Form 2330 to be paid within 45 days, shall not be considered final and incontestable until the date of HUD's approval of the supplemental cost certification.

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|--|----------|
| 1. (a) Original Mortgage Amount | \$ _____ |
| (b) Less: Minus Effect of Construction Changes, if any | \$ |
| (c) Unused Contingency Reserve, if any (Rehabilitation) | \$ |
| (d) Total Deductions from Original Mortgage Amount | \$ _____ |
| (e) Adjusted Original Mortgage Amount | \$ |
| 2. Certified "Actual Cost" (From FHA Form 2330) | \$ |
| 3. Disallowed Amounts (Schedule 2) | \$ |
| 4. Recognized "Actual Cost" of Improvements | \$ |
| 5. Land | \$ |
| 6. TOTAL LAND & IMPROVEMENTS | \$ |
| 7. Statutory Percentage of Total Cost (_____ % of Item 6) | \$ |
| 8. Lesser of: (i) \$ _____ Existing Mortgage Indebtedness on (Land and Improvements to be Rehabilitated) or (ii) an Amount Equal to _____ % of the Fair Market Value \$ _____ of Land and Improvements Before (Repair or Rehabilitation) | \$ _____ |
| 9. TOTAL - Line 7 plus Line 8, (if any) | \$ |
| 10. Maximum Insurable Mortgage in Multiples of \$100, (Item 1(e) or Item 9 whichever is the Lesser) if Grants involved see attached sheet to this form for Reconciliation of Adjustments, if required | \$ _____ |

Schedule 1. Approval of the Maximum Insurable Mortgage, as stated on Line 10, is conditioned upon the following:

- A. A supplemental cost certification prepared by an IPA or CPA of FHA Forms 2330 and 2330A must be submitted within 60 days after final endorsement in order to account for those items of cost on the current certification which are "to be paid within 45 days after final endorsement."

Previous Edition is Obsolete

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Appendix 47

Schedule 1 (cont.)

Schedule 2. Disallowed Costs

Schedule 3. Computation of Mortgagor's Initial Equity Investment

1. Total Land and Improvements (Line 6 above)	\$ _____
2. Less: Maximum Insurable Mortgage (Line 10 above)	\$ _____
3. Mortgagor's Initial Equity Investment	\$ _____

Schedule 4. Tentative Disallowances. Those items which appear below are classified as tentative disallowances and may be recognized and approved as certifiable costs subsequent to the issuance of this form provided that satisfactory clarifying documentation is submitted within 30 days. Whether or not these items are subsequently approved will have no effect on the maximum insurable mortgage listed on line 10 of this form.

Assistant Secretary for HPMC/FHA Commissioner

Dated _____ By _____
Authorized Agent