
 Mortgagee's Certificate

Project Name _____ Project No. _____
 Location _____ Date of Commitment _____
 Date _____ Principal Amount
 of Loan \$ _____

To Secretary of Housing and Urban Development

We hand you herewith the original credit instrument drawn upon the form approved by you for use in the State in which the above-captioned project is located in connection with loans insured under Section 207, pursuant to Section 223(f) of the National Housing Act, as amended, evidencing a loan by us as Mortgagee to

(Mortgagor), together with one conformed copy thereof, and one conformed copy of the Security Instrument of even date securing the same recorded as shown thereon, also drawn upon the form approved by you for use in said State.

We request endorsement of said instrument for mortgage coinsurance in the total sum of \$ _____, in accordance with the Regulations for the Section 223(f) program.

We hand you herewith a check for \$ _____ covering the first mortgage insurance premium called for in said Regulations.

We understand that nothing herein contained or contained in the said credit instrument or Mortgage securing the same, or in the other contract documents, is to be deemed a waiver of any of the provisions of the aforesaid Regulations, but all of said instruments are intended to be subject thereto. We hereby agree to conform with and abide by such Regulations in all matters with respect to the aforesaid loan and the project insofar as they are applicable to us. We agree to furnish you with a complete report of the results of our annual inspection of the mortgaged premises required by the said Regulations.

We, the undersigned Mortgagee, hereby certify that:

1. The mortgage to be insured is current with respect to all of its requirements.

2. The charges enumerated below have been collected in cash, will be collected not later than the date of endorsement or will be disbursed from Mortgage proceeds upon FHA endorsement of the credit instrument.

- a. Application and commitment fee
..... \$
- b. Service charge, if any \$
- c. Title and recording expense (including
cost of surveys, recording fees, mortgage
and stamp taxes, etc.) \$
- d. Inspection Fee \$

3. The project is fully covered by fire and other insurance as required by the terms of the coinsured mortgage in the form and amounts stipulated by you; and that all insurance policies on the project have attached thereto a standard mortgagee clause making loss payable to the Mortgagee and the Secretary, as their interest may appear.

4. An Escrow Agreement evidencing the deposit by the Sponsor of ___/ cash, ___/ U. S. Bearer bonds, or ___/ an unconditional irrevocable letter of credit in the amount of \$ _____ as required by the Commitment to meet a possible initial operating deficit has been received by us. (Complete, if required.)

5. We have collected from the mortgagor an initial deposit in the amount of \$ _____ to be placed in the Reserve for Replacements established for this project. We will require the mortgagor to make monthly deposits to the Reserve for Replacements in amounts required by the Regulatory Agreement. We will collect, hold and permit investment and release of funds from the Reserve for Replacements only in accordance with HUD's administrative requirements and the terms of the Regulatory Agreement.

We understand that, in the event of a default, the balance of the fund may be applied toward the remaining amount of the mortgage debt as accelerated. We further agree to periodically analyze the adequacy of the Reserve Fund for Replacements and to take appropriate action (e.g. require an increase in the monthly deposit) as necessary to ensure that funds are available to meet the cost of future replacements.

6. We agree to establish, hold, and administer all required escrow accounts, in accordance with HUD's administrative requirements and sound mortgage banking practices.

7. To our best knowledge and belief no restriction upon the sale or occupancy of the mortgaged property, on the ground of race, color, or creed, has been filed of record at any time subsequent to February 15, 1950, and prior to the recording of the mortgage offered for insurance. This certification is based upon our examination of the title evidence received by us.

8. No financing charges other than charges disclosed in paragraphs 2 and 8 herein have been made and we agree that no other charges for financing will be made. The term "financing charges" as used herein means any charge, direct or indirect, for supplying the loan to or servicing the loan for the mortgagor.

(Check and complete the following applicable subparagraphs a, b, c, d, e, f, g or h.)

- /__/ a. No financing charges of any kind have been or will be imposed directly or indirectly.
- /__/ b. We have collected in cash an initial service charge in the amount of \$ _____.
- /__/ c. In addition to the initial service charge referred to in (b), we have collected the amounts set forth in subparagraph(s) _____.
- /__/ d. In addition to the initial service charge, we have collected in the form of cash the amount of \$ _____ as a discount or financing charge.
- /__/ e. We are retaining the permanent loan. In addition to the initial service charge, we have collected in the form of cash the amount of \$ _____.
- /__/ f. We have a firm commitment from _____ to purchase the loan when insured at a financing charge or discount of _____ and we have collected in the form of cash the sum of \$ _____ to cover said charge or discount.
- /__/ g. We are placing the loan in a mortgage pool that will back the issuance of securities guaranteed as to the timely payment of principal and interest by GNMA. In this connection, we have collected the sum

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of \$ _____. Of this amount, \$ _____ represents the Application fee paid to GNMA; \$ _____ represents a fee paid to a commercial bank which will serve as custodian of the loan documents as required by GNMA MBS regulations; \$ _____ represents an indemnification deposit required by GNMA to be held for a three year indemnification period; \$ _____ represents a deposit which will be refunded to the Mortgagor at the time the GNMA securities are purchased by the Investors of such securities or which will be forfeited to the Investors in the event the securities are not delivered; \$ _____ represents a discount.

/__/_/ h. The loan was originated for sale by the undersigned who does not, at this time, have a firm commitment or agreement to purchase the loan from which the amount of its loss, if any, in connection with such sale can be determined. The undersigned has collected in the form of cash the amount of \$ _____ to be held in escrow under an agreement to cover any discount or additional financing charge incurred by the undersigned in the bona fide sale of the mortgage. Such agreement provides that any part of the escrowed deposit not necessary to reimburse the undersigned for such discount as it may have to pay will be repaid to the mortgagor or applied to the reduction of the insured mortgage or, will be deposited in the Reserve Fund for Replacements of the mortgagor, as we elect.

/__/_/* i. Additional financing charges or discount of \$ _____ are to be collected pursuant to the attachment hereto for the purpose shown in (d), (e), (f), (g). (Strike inapplicable letters).

*The arrangement for the collection of additional financing charges or discount must be in accordance with forms and procedures prescribed by the Commissioner.

9. In any case where a letter of credit has been accepted in lieu of cash, (a) such letter of credit has been issued to us by another banking institution and is unconditional and irrevocable; (b) in the event a demand under the letter of credit is not immediately met, we will forthwith provide cash equivalent to the undrawn balance thereunder without recourse to the mortgagor, any sponsor, the general contractor or the architect; and (c) we have made every reasonable effort to satisfy ourselves that both the mortgagor and the institution which issued the letter of credit are aware that it is entirely possible that demands will be made for cash under the terms of the letter.

10. We do not have an identity of interest with any of the parties to this transaction except the following _____

 _____.

11. We have not paid any kickback, fee or other consideration, directly or indirectly, to any person who has received payment or other consideration from any other person in connection with this mortgage transaction, including the purchase or sale of the mortgaged property, except for compensation paid, if any, for the actual performance of services and approved by you.

12. We agree to notify HUD by the twentieth day of the month whenever the full amount of the monthly mortgage payment is not received by the fifteenth day of the month in which such payment is due.

13. We agree that if it is necessary for us to excise our rights under the mortgage or Regulatory Agreement to take possession of, or in any other manner to operate, the project, we will operate it in compliance with HUD's requirements for the operation and management of coinsured projects.

14. We agree that if we recover any costs after the settlement of any claim for insurance benefits arising from this transaction, we will share such recovery with HUD in the same ratio as the claim was settled.

 Mortgagee

ATTEST:

 By _____
 (Signature and Title of Officer)