

CONDITIONAL LOAN COMMITMENT FORMAT

Borrower: _____ Date: _____
 Street Address: _____ Conditional Commitment on: _____
 City: _____ Name of Project: _____
 _____ Project Number: _____
 _____ Location: _____

Your application for Firm Loan Commitment for direct loan financing on the captioned project will be accepted at any time during the life of this commitment. Your application must conform in content to previous submissions in connection with the proposal. (Firm Commitment applications must be accompanied by contract drawings and detailed specifications, as well as firm cost estimates shown on FHA Form 2328).

The project will have the following characteristics:

Total Units, _____, Type Building _____, with unit compositions of:

Type of Unit	Sq. Ft.	Number	Monthly Market Rental
Efficiency	_____	_____	_____
One Bedroom	_____	_____	_____
Two Bedroom	_____	_____	_____
Three Bedroom	_____	_____	_____
Four Bedroom	_____	_____	_____
Total	_____	_____	_____

Equipment and Services included in rent are:

* Number of Parking Spaces: Enclosed _____ Open _____
 Estimated Monthly Parking Rental \$ _____
 Residential Accessory Income \$ _____
 Commercial Area _____ sq. ft. Estimated Monthly Rental \$ _____ *

The estimated project development cost of this proposal is \$ _____ which includes \$ _____ as HUD's estimate of the value of the land with off-site improvements installed, (NOTE: Excess costs resulting from unusual on-site conditions which will be provided for in the construction cost estimate will be deducted from this value and will also affect

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the "as is" land value for cost certification purposes, or the "as is" value of the property in rehabilitation projects.) Included in the development cost estimates are the following items:

cost of structures and land improvements, carrying charges and financing, legal and organizational expense, consultant's fee (if applicable), design and supervisory architect's fee, bond premium, supplemental management fund (if applicable), contingency reserve (if rehabilitation), builder's profit, and project contingency.

The maximum loan amount supportable by the economics of the proposal is \$ _____. This represents a mortgage loan to development cost ratio of _____%. The cash you will be expected to furnish at closing is estimated to be \$ _____ (which includes equity investment for capital expenditures, front money, etc., minimum capital investment, and operating deficit, if applicable). Please contact _____ who will advise you on the correct preparation of FHA Form 2328, Contractor's and/or Mortgagor's Cost Breakdown..

The above basic elements of the proposal upon which our estimates are computed cannot be altered without affecting the conclusions contained herein. The completed project must meet applicable code requirements and the HUD Minimum Property Standards (or Minimum Design Standards for Residential Rehabilitation if rehabilitation).

Final development of the proposal must be coordinated with the HUD Design Representative assigned to this project. He will be available to assist the Borrower and the architect with the development of the final design and off-site requirements.

Section 8 Contract Authority in the amount of \$ _____ has been allocated to this project and will be available for the life of this Conditional Loan Commitment and of any Firm Loan Commitment hereafter issued.

Your application must be submitted within 120 days following the date of this letter, otherwise this Conditional Loan Commitment will expire. Any renewal or extension of this commitment may be based either upon this commitment or upon re-examination of the proposal, at the option of this office.

If none of the aforementioned project characteristics and figures established herein are changed in the application for Firm Loan Commitment and if the final drawings and specifications submitted with the application and the firm cost estimates are acceptable to HUD, HUD will issue a Firm Loan Commitment for direct loan financing for a maximum loan in the amount shown above.

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CONDITIONS:

Sincerely,

Housing Director

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