

FHA FORM NO. 3212A
Rev. 8/69
(Previous Revision Obsolete)

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

MORTGAGOR'S CERTIFICATE*

(For Insured Advances Projects under Sec. 234 and Investor Sponsored
Projects under Sections 213, 221(d)(3) and 236)

Federal Housing Commissioner _____ Project Name _____

c/o _____ Project No. _____

Dear Sir:

The undersigned hereby agrees to accept a loan insured by you upon the terms set forth in your Commitment dated 19____, for the above captioned project (hereinafter referred to as the "Project") and extensions and amendments thereof, and agrees and certifies to you as follows:

(1) That the instrument securing said loan is a good and valid first lien upon the property therein described, and the mortgaged premises are free and clear of all liens other than that of the insured Mortgage except those heretofore waived by you.

(2) That there are not now outstanding and there will not be outstanding upon completion of the project any unpaid obligations of the undersigned except obligations for the payment of which funds are now held by the mortgagor or mortgagee, or obligations which will be fully paid out of mortgage funds, as set forth in the Building Loan Agreement, except such obligations as may be approved by you as to terms, form and amount.

(3) With regard to the Mortgagee's Certificate (FHA Form 3220) submitted to you concurrently: (a) that the undersigned has read its contents and agrees to be bound by the terms thereof wherever applicable; (b) that the items enumerated therein as having been paid by the undersigned have been fully paid or payment provided for as set forth therein; (c) that the funds deposited with the mortgagee, as enumerated therein, will be used for the purposes indicated therein.

(4) That, except as has been previously approved in writing by you, no construction has been commenced on the mortgaged premises prior hereto.

(5) That the Project will be constructed in accordance with the terms of the Construction Contract.

(6) That as the construction of the Project progresses the undersigned will procure and submit to you copies of all necessary building and other permits from the legally constituted authorities and that all such permits now obtainable have been procured as witness the certified copies thereof hereby presented.

(7) That the determination of the Department of Labor with respect to prevailing wages has been received by the undersigned and is included as a part of the aforesaid specifications for the construction of the Project, and all Contractors employed by the undersigned have been or will be fully advised prior to performance of any work that all laborers and mechanics employed on construction of the Project must be paid not less than such prevailing wages, and that each such Contractor, as a condition precedent to any payment to him, must certify in the form prescribed by the Commissioner that all laborers and mechanics employed by him or his subcontractors on the Project have been paid not less than such wages.

(8) That occupancy of the Project in whole or in part will not be permitted without first having obtained your written permission and proper permits from all legal authorities having jurisdiction; and pursuant to duly executed occupancy agreements or leases in a form approved by the FHA.

**9) That the land included in the Mortgage has been paid for in full by the undersigned, in cash, stock, property and/or services, and is free from vendor's lien or purchase money obligation.

(10) That the undersigned will, in support of its request for final endorsement of the credit instrument, submit to you a current Financial Statement together with the certificate of a responsible officer to the effect that:

(a) from this date and for so long as the mortgage is insured or held by the Commissioner.

(1) the project books and records will be established and maintained in accordance with the Uniform System of Accounts prescribed by the Commissioner, and in such condition as to permit a speedy and effective audit.

(2) such books and records will be retained for such period as may be prescribed by the Commissioner;

(b) such books and records will be available to the Commissioner and to the Comptroller General of the United States for such examination and audits as they may desire to make.

* In Section 213 and Section 221(d)(3) Management Type projects and also in Sales Type projects, FHA Form 3212 should be used. Management Type mortgages in Existing Construction cases should use FHA Form 3212-B.

** In cases where the cost of the land is to be paid for out of the first mortgage advance, this clause may be deleted, if approved by the FHA, and be substituted by the following:

"That although the amount of \$_____ is presently due in connection with our land purchase, sufficient funds are available in the mortgage proceeds to discharge such obligation and we will fully discharge such obligation out of the funds received in the first advance of mortgage proceeds and thereupon will simultaneously make the standard certification set forth in paragraph 9 of FHA Form 3212A."

(11) That so long as the mortgage covering the above numbered Project is insured or held under the provisions of the National Housing Act, as amended, no part of any building will be rented for a period of less than thirty days or operated in such a manner as to offer any hotel services to any tenant in the building or buildings; and that the property will not be sold while the mortgage insurance is in effect or the mortgage is held by the Commissioner unless the purchaser files with the Federal Housing Commissioner a like certification executed by such purchaser under oath.

(12) That neither it nor anyone authorized to act for it will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the property covered by the mortgage to any person because of race, color, religion, or national origin; that any restrictive covenant on such property relating to race, color, religion, or national origin is recognized as being illegal and void and is hereby specifically disclaimed; and that civil action for preventive relief may be brought by the Attorney General in any appropriate U. S. District Court against any person responsible for a violation of this certification.

*** (13) That upon sale of the mortgaged premises to a management type mortgagor the purchaser will be furnished with proper assignments of the mortgagor's interest in all construction guarantees, completion and performance bonds, and other assurances.

**** (13) That upon conversion of the project to a condominium the association of owners and the members of such association and their successors in interest, as their interests may appear, will be furnished with proper assignments of the mortgagor's interest in all construction guarantees, completion and performance bonds, and other assurances.

(14) That this certificate is executed by the undersigned corporation for the purpose of inducing the Commissioner to approve for insurance that certain mortgage loan made or to be made by the mortgagor in connection with the construction of the Project.

*** (15) That the mortgagor intends to sell and through its duly constituted officers and directors, shall faithfully and diligently cause all reasonable efforts to be made and carried out to sell the Project to a management-type corporation, as defined in the FHA Regulations, at a price not in excess of the actual cost of the Project as certified pursuant to Section 227 of the National Housing Act, as amended, and pursuant to a contract of sale satisfactory to the Commissioner.

**** (15) That the mortgagor will faithfully and diligently cause all reasonable efforts to be made and carried out to convert the Project to a condominium and to sell the requisite number of units therein pursuant to FHA requirements.

**** (16) That the mortgagor, in selecting tenants, or in selling family units under the plan for apartment ownership, will not discriminate against any family because it includes children. The mortgagor will not sell the project while the mortgage insurance is in effect, unless the purchaser makes the certification required above.

**** (17) That the project when constructed (or rehabilitated) will not violate any material zoning or deed restrictions applicable to the site and will comply with all applicable building and other governmental regulations.

**** (18) That the sum of \$ _____ has been expended for legal and organization expenses and that the sum of \$ _____ has been deposited in escrow (or segregated in a manner approved by the Commissioner) for the payment of legal and organization expense of the proposed condominium.

Mortgagor

Date _____ By _____
(Title)

County of _____

State of _____

Personally appeared before me this _____ day of _____, 19____
who, after being duly sworn, says that he is the _____

(Title)
of the _____ a corporation organized and existing under the laws of the State of _____, and that he has authority to execute under oath and has so executed the above certification for and on behalf of such corporation.

(Notary Public)

*** Applicable in Sections 213, 221(d)(3) and 226 cases only.
**** Applicable in Section 214 cases only.

WARNING
U. S. Criminal Code, Section 1010, Title 18, U. S. C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of ... influencing in any way the action of such Administration ... makes, passes, utters, or publishes any statement, knowing the same to be false ... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."