

Lender Narrative
Section 232/232(i) - Fire
Safety Equipment Installation,
with Existing HUD-Insured
Mortgage

**U.S. Department of Housing
and Urban Development**
Office of Residential Care
Facilities

OMB Approval No. 9999-9999
(exp. mm/dd/yyyy)

Public reporting burden for this collection of information is estimated to average 15 hour(s). This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation which must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Warning: Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

Privacy Act Notice: The Department of Housing and Urban Development, Federal Housing Administration, is authorized to collect the information requested in this form by virtue of: The National Housing Act, 12 USC 1701 et seq. and the regulations at 24 CFR 5.212 and 24 CFR 200.6; and the Housing and Community Development Act of 1987, 42 USC 3543(a). The information requested is mandatory to receive the mortgage insurance benefits to be derived from the National Housing Act Section 232 Healthcare Facility Insurance Program. No confidentiality is assured.

INSTRUCTIONS:

The narrative is a document critical to the Lean Underwriting process. Each section of the narrative and all questions need to be completed and answered. If the lender's underwriter disagrees and modifies any third-party report conclusions, provide sufficient detail to justify. The narrative should identify the strengths and weaknesses of the transactions and demonstrate how the weaknesses are mitigated by the underwriting.

- **Charts:** The charts contained in this document have been created with versatility in mind; however they will not be able to accommodate all situations. For this reason, you are allowed to alter the charts as the situation demands. Be sure to state how you have altered the charts along with your justification. Include all the information the form calls for. Charts that include **blue** text indicate names that should be modified by the lender as the situation dictates.
- **Applicability:** If a section is not applicable, state so in that section and provide a reason. Do not delete a section heading that is not applicable. The narrative will be checked to make certain all sections are provided. If a major section is not applicable, add " – Not Applicable" to the heading and provide the reason. For instance:

Parent of the Operator – Not Applicable

This section is not applicable because there is no operator.

The rest of the subsections under the inapplicable section can then be deleted. This instruction page may also be deleted.

- **Format:** In addition to submitting the PDF version of the Lender Narrative to HUD, please also submit an electronic Word version.

Instead of pasting large portions of text from third-party reports into the narrative, it is preferred that the lender simply reference the page number and the report. The focus of this document is for lender conclusions, analyses, and summaries.

Italicized text found between these characters <<*EXAMPLE*>> is instructional in nature, and may be deleted from the lender's final version. Please use the gray shaded areas (e.g.,) for your response. Double click on a check box and then change the default value to mark selection (e.g.,)

<<Insert Project Photo>>

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Executive Summary

FHA number:			
Project name:			
Project location:	<<street address, city, county, and state>>		
Lender's name:			
Lender's UW:		UW trainee:	
Borrower:			
Operator:			
Parent of operator:			
Management agent:			
General contractor:			
License holder:	<input type="checkbox"/> Borrower	<input type="checkbox"/> Operator	<input type="checkbox"/> Management agent

Purpose of loan: <<description of purpose of fire safety equipment loan (e.g., automatic sprinklers, fire safety lighting, etc.)>>

Type of facility:	<input type="checkbox"/>	Skilled Nursing (SNF):		beds		units
	<input type="checkbox"/>	Assisted Living (AL):		beds		units
	<input type="checkbox"/>	Board & Care (B&C):		beds		units
	<input type="checkbox"/>	Dementia Care:		beds		units
	<input type="checkbox"/>	Independent Living (IL):		beds		units
		Total:		beds		units

Current insured loan(s):

	<u>Proposed 232(i) loan terms</u>		
Original Section of the Act:	_____	FHA number:	_____
FHA number:	_____	Proposed loan amount:	_____
Original loan amount:	_____	Proposed interest rate:	_____
Current interest rate:	_____	Proposed maturity date:	_____
Maturity date:	_____	Proposed term (in months):	_____
Original terms (in months):	_____	Principal & interest (monthly):	_____
Principal & interest (monthly):	_____	MIP (monthly):	_____
MIP (monthly):	_____	Total P+I+MIP (monthly):¹	_____
Total P+I+MIP (monthly):	_____	Total debt service coverage:	_____
Debt service coverage:	_____	Total repl. reserve deposit:	_____
Principal balance:	_____	Proposed repairs: ²	_____
As of:	_____		
Replacement reserve balance:	_____		
As of:	_____		

TOTAL INSURED MORTGAGES:

¹Total P+I+MIP of all insured mortgages.
²Repairs that are not for the installation of fire safety equipment may not be included in the mortgage.

Gross income: \$ _____
 Effective gross income: \$ _____
 Expenses & repl. res.: \$ _____ Expense ratio: _____ %
 Net operating income: \$ _____

Borrower: <<Legal Name>>
Operator: <<Legal Name>> Operating lease
Parent of Operator: <<Legal Name>>
 Does the operating lease cover multiple properties or tenants (is it a master lease)? Yes No
Management Agent: <<Legal Name>>
License held by: <<Legal Name>>
Resident contracts with: <<Entity with whom residents contract for services>>

Risk Factors

Key Questions

	Yes	No
1. Are there any exceptions reflected on the pro forma title policy that materially affect HUD's risk? <i>(This response may be deferred if the lender elects to obtain title information after issuance of the firm commitment.)</i> <input type="checkbox"/> N/A	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the borrower entity delinquent on its mortgage payments?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the borrower, operator, or any of their affiliates' renamed or reformulated companies, filed for or emerged from bankruptcy within the last five (5) years?	<input type="checkbox"/>	<input type="checkbox"/>

<<For each "yes" answer above, provide a narrative discussion regarding the topic. Identify the risk factors and analyze and clarify how they are mitigated.>>

Other Risk Factors identified by Underwriter

Additionally, the underwriter has identified the following risk factors: <<Provide discussion on other risk factors identified by the underwriter and how they are mitigated.>>

Program Eligibility

<<Provide affirmative statement that project is currently HUD-insured and not loan is not HUD-held.>>

Waivers

<<Identify any waivers required for proposed financing. Identify specific provisions to be waived and justification for the waiver.>>

Special Underwriting Considerations

Key Questions

	Yes	No
1. Is there any non-HUD-insured debt associated with this project?	<input type="checkbox"/>	<input type="checkbox"/>
2. Was an underwriter trainee involved in underwriting this transaction?	<input type="checkbox"/>	<input type="checkbox"/>
3. Was a mortgage broker involved in underwriting this transaction?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does the underwriting include income from adult day care? <i>(Note: Non-resident adult day care space <u>may not</u> be located on a separate site. The adult day care space will not be considered commercial space; however, the space may not exceed 20% of the gross floor area of the facility and the income may not exceed 20% of gross income. Provide a Certificate of Need or operating license, if applicable.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
5. Is there a ground lease?	<input type="checkbox"/>	<input type="checkbox"/>
6. Are there any professional liability insurance issues that require special consideration or HQ review?	<input type="checkbox"/>	<input type="checkbox"/>
7. Are any tax credits involved in this transaction?	<input type="checkbox"/>	<input type="checkbox"/>
8. Are any secondary funding sources involved in this transaction?	<input type="checkbox"/>	<input type="checkbox"/>
9. Are there any special escrows or reserves proposed for this transaction?	<input type="checkbox"/>	<input type="checkbox"/>
10. Other than the aforementioned questions, waivers ,and program eligibility requirements, are there any other issues that require special or atypical underwriting consideration?	<input type="checkbox"/>	<input type="checkbox"/>
11. Do you, as the underwriter, recommend or request any HUD technical reviews of issues, exhibits, or third-party reports related to this transaction?	<input type="checkbox"/>	<input type="checkbox"/>

<<For each “yes” answer above, provide a narrative discussion regarding the topic. As applicable, discuss the issue and its affect on underwriting. Describe any potential risks and the mitigants. For waivers, identify specific provisions to be waived and justification for the waiver.>>

Underwriting Team

Lender

Name: _____

Underwriter: _____

Underwriter trainee: _____

Lender #: _____

Site inspection date: _____

Inspecting underwriter: _____

Lender's Underwriter

<<Brief description of qualifications. The inspecting underwriter must be underwriter of record that is assigned to the project. >>

Underwriter Trainee (if applicable)

<<Brief description of qualifications.>>

Inspecting Underwriter (if applicable)

<<Brief description of qualifications. A MAP-approved 232 Underwriter or Lean-approved 232 Underwriter employed by the lender must visit the site AND sign this narrative.>>

Identities-of-Interest

Key Questions

	Yes	No
1. Have you, as the lender, identified any identities of interest on your certification?	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the borrower's certification indicate any identities of interest?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is there any identity of interest issues involving the Underwriting Lender, the existing lender or note holders, or the mortgage broker?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does the lender know, or have any reason to believe, that any of the assertions in the other Consolidated Certifications submitted herewith, are inaccurate or incomplete?	<input type="checkbox"/>	<input type="checkbox"/>

<<For each "yes" answer above, provide a narrative discussion regarding the topic. As applicable, describe the risk and how it will be mitigated. For example: The borrower and operator are related parties – John Doe has ownership in both entities. No other identities of interest are disclosed.>>

Property Description

Site

<<Brief narrative description about site to include location, size, etc. >>

Zoning

Legal Conforming Legal Non-Conforming Other

<<Narrative description: identify local jurisdiction; zoning designation; results of Zoning Letter provided in application submission; and discuss any variances, conditional uses, non-conformance or other pertinent issues affecting zoning. If the building is not a legal conforming use, discuss the adequacy of the zoning ordinance insurance coverage and/or recommend a condition to mitigate this risk.>>

Title

<<Lenders may elect to defer addressing title-related issues (including title search, pro forma policy matters, and land title survey matters) until after receiving a firm commitment with conditions related to these items.>>

Title Search

Date of Search: _____

Firm: _____

File Number: _____

Key Questions

	Yes	No
1. Is the title currently vested in an entity or individual other than the proposed borrower?	<input type="checkbox"/>	<input type="checkbox"/>
2. Does report indicate that delinquent real estate taxes are owed?	<input type="checkbox"/>	<input type="checkbox"/>
3. Does the report indicate any outstanding special assessments?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does the report identify any outstanding debt that is not disclosed on the borrower's listing of outstanding obligations?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are there or will there be any Use and Maintenance Agreements associated with this facility?	<input type="checkbox"/>	<input type="checkbox"/>

<<For each "yes" answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated. >>

Pro Forma Policy

Date/Time: _____
 Firm: _____
 Policy Number: _____

Key Questions

	Yes	No
1. Is the title vested in an entity or individual other than the proposed borrower?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are there any covenants, encumbrances, liens, restrictions, or other exceptions indicated on Schedule B-1?	<input type="checkbox"/>	<input type="checkbox"/>
3. Are there any use or affordability restrictions remaining in effect on the property?	<input type="checkbox"/>	<input type="checkbox"/>
4. Are there any easements or rights-of-way listed that are not indicated on the survey?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are there any endorsements included aside from the standard HUD requirement?	<input type="checkbox"/>	<input type="checkbox"/>
6. Are there any subordination agreements, encroachments or similar issues that require HUD’s approval?	<input type="checkbox"/>	<input type="checkbox"/>
7. Are there any other matters requiring special consideration, agreements, or conditions that require HUD’s attention?	<input type="checkbox"/>	<input type="checkbox"/>
8. Are there any easements, rights-of-way, encroachments, etc., identified on Schedules B-1 and B-2 that, in the lenders opinion, affect value or the marketability of the project?	<input type="checkbox"/>	<input type="checkbox"/>

<<For each “yes” answer above, provide a narrative discussion regarding the topic. Example: **Additional Endorsements:** As described in the Risk Factors section of the narrative, the XXXX does not conform to the past or current zoning requirements. The lender recommends...>>

ALTA/ACSM Land Survey

Date: _____
 Firm: _____

Key Questions

	Yes	No
1. Does the pro forma title policy include a survey exception?	<input type="checkbox"/>	<input type="checkbox"/>
2. Have there been any material changes in the legal description of the property since the date of the existing survey (e.g., due to a partial release, the addition of property or both)?	<input type="checkbox"/>	<input type="checkbox"/>
3. Have any new easements affecting the property been granted since the date	<input type="checkbox"/>	<input type="checkbox"/>

- | | Yes | No |
|---|--------------------------|--------------------------|
| of the existing survey (other than blanket easements or other easements that clearly do not conflict with use of project facilities, as determined by HUD)? | | |
| 4. Have any additional improvements (including driveways and parking areas) been constructed on the property since the date of the existing survey? | <input type="checkbox"/> | <input type="checkbox"/> |

<<If you answer “yes” to any of the above questions, a current “as-built” survey, confirming to the HUD Survey Instructions & Owner’s Certification is required and the ALTA/ASCM Land Title Survey addendum must be attached to this narrative.

If you answer “no” to all of the above questions, copies of the most recent signed and certified “as-built” survey, accepted by HUD, must be provided (originals are not required). No further review is needed. If copies are not available, a current “as-built” survey, confirming to the HUD Survey Instructions & Owner’s Certification may be required and the ALTA/ASCM Land Title Survey addendum must be attached to this narrative.>>

Borrower

Name: _____
 State of Organization: _____
 Date Formed: _____
 Termination Date: _____
 FYE Date: _____

Key Questions

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. Does the borrower currently own any assets other than the subject property or participate in any other businesses? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. According to the application exhibits, is or has the borrower been delinquent on any federal debt? | <input type="checkbox"/> | <input type="checkbox"/> |

<<For each “yes” answer above, provide a narrative discussion on the topic describing the risk and how it will be mitigated.>>

Organization

<<Provide organization chart and narrative, as applicable. At a minimum, all principals of the borrower should be identified.>>

Operating Lease

Date of Agreement: _____

Current Lease Term Expires: _____

Description of Renewals: _____

Current Lease Payment: _____

Major Movable Equipment

Current Ownership: _____ <<Borrower/Operator>>

Post Closing Ownership: _____ <<Borrower/Operator>>

Key Questions

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. Does the lease contain any non-disturbance provisions? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the lease require the borrower to escrow any funds other than those associated with this loan? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is state approval of the lease payment required? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Will the lease payment need to be increased to cover increased debt service? | <input type="checkbox"/> | <input type="checkbox"/> |

<<For each "yes" answer above, provide a narrative discussion on the topic describing the risk and how it

HUD Lease Provisions

<<Discuss compliance with HUD lease provisions and identify any modifications required.>>

Key Questions

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. Is the facility subleased (master lease)? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will the lease at closing have a term that will expire within 5 years with no lease renewal options? (See guidance below.) | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does the lease contain any non-disturbance provisions? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Does the lease require the borrower to escrow any funds other than those associated with this loan? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are there proposed changes to the current operating lease? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Has the lender recommended any special conditions concerning the lease? .. | <input type="checkbox"/> | <input type="checkbox"/> |

Yes No

7. Is an increased to the current lease payment required to provide sufficient debt coverage for the mortgage payment, MIP, and other insurance premiums, taxes, reserves or impounds?

<<For each "yes" answer above, provide a narrative discussion regarding the topic.>>

Program Guidance:

ORCF has recently reviewed several applications that were submitted for review with Operator Agreements that will expire within five years or less. The underwriting criteria used by both ORCF and the lender is based on the current operator. Lenders need to provide HUD with information in their application regarding any changes to the operator that will occur within the next five years. This plan of action is necessary to ensure that the quality and experience of any potential new operator will be comparable or better than the current operator. For assisted living facilities (ALF), it is important to reemphasize that operators need to be experienced and have a proven track record with the operation, marketing, and lease up of ALF facilities. The five-year lease expiration issue does not apply to lessees that have lease renewal options.

Master Lease

<<If the project is a part of a portfolio subject to an existing master lease, explain how the lease provisions will be modified to reflect payments to cover increased debt service associated with this loan.>>

Lease Payment Analysis

The lease payments must be sufficient to (1) enable the borrower to meet debt service and impound requirements; and (2) enable the operator to properly maintain the project and cover operating expenses. The current leases indicate an aggregate rent payment of \$ per month (\$ annually) above the payments required by the HUD-insured loan.

The underwriter has prepared an analysis demonstrating the minimum annual lease payment.

a. Annual principal and interest	\$
b. Annual mortgage insurance premium	
c. Annual replacement reserves	
d. Annual property insurance	
e. Annual real estate taxes	
f. Total debt service and impounds	\$
h. Minimum annual lease payment	\$

<<Compare the minimum annual lease payment to the current lease payment. If the lease payment needs to increase, add the following language: "The lease payment must be increased

to \$XX per year (\$XX per month). The underwriter has included a special condition to the firm commitment requiring the lease payment be revised to meet or exceed this minimum.” If the lease payment does not need to increase, add the following language: “The current lease payment is sufficient. The recommended annual lease payment also provides the operator with an acceptable profit margin.”>>

State Inspections

Key Questions

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. Are there currently any open findings resulting from state survey inspections? | <input type="checkbox"/> | <input type="checkbox"/> |

<<If you answered “yes” to the question above, please discuss the open findings and the resolution.>>

Insurance

Professional Liability Coverage

Commercial insurance: Yes No

Self insurance: Yes No

If self insurance, describe: _____

Is there a fronting policy? Yes No

Name of insured: _____

Insurance company: _____

Rating: Rater: _____

Insurance company is licensed in the United States: Yes No

Statute of limitations: _____

Current coverage: Per occurrence: _____

Aggregate: _____

Deductible: _____

OR Self insurance retention: _____

Policy Basis: Per occurrence Claims made

Current Expiration: _____

Retroactive Date: _____

Policy Premium: _____

Property Insurance

<<Provide narrative discussion of review. For example, “Hazard and Liability insurance has been and/or will be provided by XX. The insurance coverage will continue to comply with HUD requirements.”>>

Fidelity Bond/Employee Dishonesty Coverage

<<Provide narrative discussion of review. For example, “The current insurance policy reflects fidelity (crime) insurance with the limit of \$XX and \$XX deductible. The HUD requirement for at least two months gross income receipts would total \$XX. The current level of coverage is sufficient for this project.” If not sufficient, recommend commitment condition.>>

Mortgage Loan Determinants

Overview

The mortgage criteria shown on the form HUD-92264a-ORCF are summarized as follows:

Requested amount:	\$
Debt service coverage:	\$
Transactions costs:	\$
Deduction of loan(s), grant(s), and gift(s) for mortgageable items:	\$

Mortgage Term

The underwriter concluded that the estimated remaining useful life of the project is _____ years. For mortgages equal to \$100,000 or more, the term of the mortgage is to be coterminous with the maturity of the existing HUD mortgage or 15 years. For mortgages less than \$100,000, the term of the mortgage is to be coterminous with the maturity of the existing HUD mortgage or 10 years.

Debt Service Limit

The \$ _____ debt service limit was calculated using HUD’s guidelines. This is based on 90% of the underwritten net operating income of \$ _____, interest rate of _____ % and a _____ -year term. The mortgage calculation should account for debt service required by other mortgages that will remain in place.

<<Note: If the debt service coverage rate is less than 1.45, justification/mitigation of the additional risk to HUD must be addressed in the Risk Factors section of this narrative.>>

Transaction Cost Limit

The costs associated with the project totals \$ _____ on the form HUD-92264a-ORCF, which is used to calculate the mortgage amount for this criterion. This total includes the following:

Legal and organizational fees	\$
Title and recording fees	
HUD fees	
Lender fees	
Survey, if required	
Other: <<identify here>>	
<hr/>	
Total:	\$

Additional Replacement Reserve Deposit

<<If none, please state "None." Note that loan proceeds may not be used for additional replacement reserve deposits.>>

Repairs

<<Repairs that are not for the installation of fire safety equipment may not be included in the mortgage.>>

Legal and Organizational Costs

The borrower's legal and organization costs are estimated to total \$ _____ (\$ _____ for legal and \$ _____ for organizational expenses). The underwriter concluded that the budgeted amounts are reasonable.

Title and Recording Fees

Title and recording fees are estimated to cost \$ _____. The underwriter concluded that the budgeted amount is reasonable.

Other Fees

A total of \$ _____ in third-party report fees has been included in the mortgage calculation and the fees include _____.

HUD Fees

<<This section pertains to the transaction cost calculation and may not match the actual fees in the sources and uses. The HUD inspection fee is \$5 per \$1,000 of the fire safety mortgage amount.>> The HUD fees total \$ _____ and are comprised of MIP totaling 1.0% of the

mortgage amount (\$); the HUD application fee totaling 0.3% of the mortgage amount (\$); and the HUD inspection fee (\$).

Financing Fees

<<This section pertains to the transaction cost calculation and may not match the actual fees in the source and use. All fees paid to the lender are to be discussed. Maximum lender fees cannot exceed 3.5% of the mortgage.>> The financing fees payable to the lender total \$. The total is made up of a fee of 1.50% of the mortgage amount (\$); plus fixed lender fees totaling \$. In total, the fees payable to the lender represent % of the mortgage amount.

Other Fees

<<If none, please state "None." If the other fees are included, provide a descriptive listing with the estimated cost. Provide justification for eligibility.>>

Sources & Uses

<<Provide a Statement of Sources and Uses of actual estimated cost at closing. Include all eligible and ineligible transaction costs.>>

Secondary Sources

<<List and discuss all secondary sources, including terms and conditions of each. Secondary sources include surplus cash notes, grants/loans, tax credits, etc. >>

Type of Financing

The type of financing available to the borrower upon issuance of the commitment will likely be in the form of .

Surviving Debt

<<List and discuss all existing long-term debt that will survive closing. >>

Other Uses

<<Discuss any Uses not previously discussed in this narrative. >>

Special Commitment Conditions

<<List any recommended special conditions. If none, state "None.">>

- 1.
- 2.

Circumstances that May Require Additional Information

In addition to the information required in this narrative, depending upon the facility for which mortgage insurance is to be provided, the mortgagor, operator, management agent and such other parties involved in the operation of the facility, current economic conditions, or other factors or conditions as identified by HUD, HUD may require additional information from the lender to accurately determine the strengths and weaknesses of the transaction. If additional information is required, the questions will be included in an appendix that accompanies the narrative.

Conclusion

<<Provide narrative conclusion and recommendation.>>

Addenda

Check all those that apply and include as addenda to this report.

- | | | |
|--------------------------|---|--|
| <input type="checkbox"/> | Lender Narrative 223a7 Addendum
Principal of the Borrower,
HUD-9001e-ORCF | <i>Ownership change; principal not previously approved by HUD.</i> |
| <input type="checkbox"/> | Lender Narrative 223a7 Addendum
ALTA/ACSM Land Title Survey,
HUD-9001b-ORCF | <i>Refer to ALTA/ACSM Land Title Survey section.</i> |

Signatures

Lender hereby certifies that the statements and representations of fact contained in this instrument and all documents submitted and executed by lender in connection with this transaction are, to the best of lender's knowledge, true, accurate, and complete. This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring the loan and may be relied upon by HUD as a true statement of the facts contained therein.

Lender: _____

HUD Mortgagee/Lender No.: _____

This report was prepared by: _____ Date _____

This report was reviewed by: _____ Date _____

<<Name>>

<<Title>>

<<Phone>>

<<Email>>

<<Name>>

<<Title>>

<<Phone>>

<<Email>>

This report was reviewed and the site inspected by: _____ Date _____

<<Name>>

<<Title>>

<<Phone>>

<<Email>>