

# Mark-to-Market Closing Documents Checklist

Form 7.2

Project Name: \_\_\_\_\_  
 Project Address: \_\_\_\_\_  
 Existing FHA #: \_\_\_\_\_ (Use on OAHP Notes & Mortgages)  
 New FHA #: \_\_\_\_\_ (Use on new FHA Notes & Mortgages)  
 REMS ID: \_\_\_\_\_

## Closing Documents and Internal Control Documents

	<i>Refinance with New FHA Insurance</i>	<i>Modification of Existing HUD-Held Loan</i>	<i>Refinance with New Conventional Loan or Risk Sharing (542b/c)</i>	<i>Modification of Existing FHA insured Loan</i>	<i>Refinance with OAHP Mortgage Restructuring Note in 1<sup>st</sup> position</i>
<b>Transmittal Letter</b>					
1. Form 7.1 Transmittal Letter from PAE to Owner with Closing Instructions	✓	✓	✓	✓	✓
<b>Use Agreement – M2M</b>					
1. Use Agreement for Multifamily Projects Participating in Mark-to-Market*	✓	✓	✓	✓	✓
<b>First Mortgage Documents</b>					
1. Mortgage Note	✓		✓		
2. Mod. And Sub. of {Deed of Trust/Mortgage} Note and {Deed of Trust/Mortgage}*		✓		✓	
3. Mortgage/Deed of Trust (HUD State Form)*	✓		✓		
4. Release of Deed of Trust/Mortgage*	✓		✓		✓
5. Release of Regulatory Agreement*	✓	✓	✓	✓	✓
6. Regulatory Agreement w/ M2M Rider* (If 236 refinance, see 236 documentation required below)	✓	✓		✓	
7. Mod. Of Security Agreement *		✓		✓	
8. Security Agreement	✓		✓		
9. Subordination of Existing HUD-Held First Mortgage to M2M Use Agreement*		✓			
10. UCC Financing Statement (State Form)(if applicable)**	✓		✓		
11. UCC Financing Statement (County Form) (if applicable)**	✓		✓		
12. UCC Termination of Existing UCC (if applicable)**	✓		✓		✓
13. Mortgagee Consent Letter	✓		✓	✓	✓
14. Title Evidence (endorsement of existing or new title insurance policy)	✓	✓	✓	✓	
15. Collateral Assignment of HAP Contract to the new mortgagee (if applicable)	✓		✓		
17. Financial Adjustment Factor (FAF) Refunding – Modification Agreement (if applicable)	✓		✓		
18. Form Legal Opinion (from Mortgagor's Attorney)	✓	✓		✓	✓

\* Documents to be recorded.

\*\*UCC to be recorded with appropriate county or state authority

## Closing Documents and Internal Control Documents (cont.)

	<i>Refinance with New FHA Insurance</i>	<i>Modification of Existing HUD-Held Loan</i>	<i>Refinance with New Conventional Loan or Risk Sharing (542b/c)</i>	<i>Modification of Existing FHA insured Loan</i>	<i>Refinance with OAHF Mortgage Restructuring Note in 1<sup>st</sup> position</i>
<b>Second Mortgage Documents</b>					
1. Mortgage Restructuring {Deed of Trust/Mortgage} Note (See Co-op Docs, if applicable)	✓	✓	✓	✓	✓
2. Mortgage Restructuring Mortgage/Deed of Trust (HUD State Form) w/ M2M Rider *	✓	✓	✓	✓	✓
3. Regulatory Agreement and M2M Rider * (If 236 refinance, see 236 documentation required below)	✓	✓	✓	✓	✓
4. Title Evidence (endorsement of existing or new title insurance policy)	✓	✓	✓	✓	✓
5. Security Agreement	✓	✓	✓	✓	✓
6. UCC Financing Statement (State Form)(if applicable)**	✓	✓	✓	✓	✓
7. UCC Financing Statement (County Form) (if applicable)**	✓	✓	✓	✓	✓
8. Form Legal Opinion	✓	✓	✓	✓	✓
<b>Third Mortgage Documents (if applicable)</b>					
1. Contingent Repayment {Deed of Trust/Mortgage} Note	✓	✓	✓	✓	✓
2. Contingent Repayment Mortgage (HUD State Form) w/ M2M Rider*	✓	✓	✓	✓	✓
3. Regulatory Agreement and M2M Rider * (If 236 refinance, see 236 documentation required below)	✓	✓	✓	✓	✓
4. Title Evidence	✓	✓	✓	✓	✓
5. Security Agreement	✓	✓	✓	✓	✓
6. UCC Financing Statement (State Form)(if applicable)**	✓	✓	✓	✓	✓
7. UCC Financing Statement (County Form) (if applicable)**	✓	✓	✓	✓	✓
8. Form Legal Opinion	✓	✓	✓	✓	✓
<b>236 Program Documents - See Appendix Q</b>					
1. 236 Regulatory Agreement and M2M 236 Rider (if applicable)	✓	✓		✓	
2. 236(s) Grant Agreement (if applicable)	✓	✓	✓	✓	✓
3. 236(s) Use Agreement (if applicable)	✓	✓	✓	✓	✓
4. IRP Reuse Schedule	✓	✓	✓	✓	✓
5. Original IRP Schedule	✓	✓	✓	✓	✓
<b>Subordinate Debt Documentation (Flex, HUD workouts, non-HUD notes, etc)</b>					
1. Flexible Subsidy – See Appendix P	✓	✓	✓	✓	✓
Identify and list all required subordinate debt documentation:	✓	✓	✓	✓	✓
Copy of original notes	✓	✓	✓	✓	✓
Modification/Subordination for each note	✓	✓	✓	✓	✓
Release of any secured loans	✓	✓	✓	✓	✓
<b>Co-Op Documents</b>					
1. Mortgage Restructuring Note 236 Co-ops	✓	✓	✓	✓	✓
2. Contingent Repayment Note 236 Co-ops	✓	✓	✓	✓	✓
3. Rider to Contingent Repayment Mortgage 236 Co-ops	✓	✓	✓	✓	✓

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## Closing Documents and Internal Control Documents (cont.)

	<i>Refinance with New FHA Insurance</i>	<i>Modification of Existing HUD-Held Loan</i>	<i>Refinance with New Conventional Loan or Risk Sharing (542b/c)</i>	<i>Modification of Existing FHA insured Loan</i>	<i>Refinance with OAHP Mortgage Restructuring Note in 1<sup>st</sup> position</i>
4. Rider to Mortgage Restructuring Mortgage 236 Co-ops	✓	✓	✓	✓	✓
5. Mortgage Restructuring Note 221(d)(3) Co-ops	✓	✓	✓	✓	✓
6. Contingent Repayment Note 221(d)(3) Co-ops	✓	✓	✓	✓	✓
7. Rider to Contingent Repayment Mortgage 221(d)(3) Co-op	✓	✓	✓	✓	✓
8. Rider to Mortgage Restructuring Mortgage 221(d)(3) Co-op	✓	✓	✓	✓	✓
9. Rider to Reg Agreement 93225A for Mortgage Restructuring- Contingent Repayment Mortgage for 221(d)3)	✓	✓	✓	✓	✓
10. Rider to Reg Agreement 93225A for Mortgage Restructuring-Contingent Repayment Mortgage for 236 Co-op	✓	✓	✓	✓	✓
11. Rider to FHA Reg Agmt 93225Afor 236 Co-op	✓	✓	✓	✓	✓
<b>Section 8 Documents</b>					
1. Section 8 Housing Assistance Payments Contract	✓	✓	✓	✓	✓
2. Rider to HAP Contract for Out Year Deals	✓	✓	✓	✓	✓
3. Section 8 Recapture Agreement (if applicable, should also include existing HAP in lieu of new HAP at closing)	✓	✓	✓	✓	✓
4. Assignment of Rights in and to HAP Contract to New Owner (if sale of project)	✓	✓	✓	✓	✓
<b>Transfer of Physical Assets (TPA) Documents</b>					
1. Application for TPA Form HUD 92266	✓	✓	✓	✓	✓
2. Proposed Rent Schedule Form HUD 92458 (for 236 Projects)	✓	✓	✓	✓	✓
3. Certificate of Processing from PAE to OMHAR	✓	✓	✓	✓	✓
4. Preliminary Approval Letter	✓	✓	✓	✓	✓
5. Final Approval Letter	✓	✓	✓	✓	✓
6. Form 7.3-TPA, Certification of Transfer of TPA Documents from PAE to OMHAR	✓	✓	✓	✓	✓
<b>Debt Assignment/Forgiveness to QNP</b>					
1. Form 7.15/7.18/7.20	✓	✓	✓	✓	✓
2. OAHP DAS QNP Approval	✓	✓	✓	✓	✓
3. Accommodation Agreement	✓	✓	✓	✓	✓
4. 50 Year Use Agreement or Amendment	✓	✓	✓	✓	✓
5. Agreement of Assignment of MRN/MRM (between HUD and Acquiring Entity)	✓	✓	✓	✓	✓
6. Allonge to MRN (Assignment between HUD and Acquiring Entity)	✓	✓	✓	✓	✓
7. Agreement of Assignment of MRN/MRM (between Acquiring Entity and QNP)	✓	✓	✓	✓	✓
8. Allonge to MRN (between Acquiring Entity and QNP)	✓	✓	✓	✓	✓
9. Agreement of Assignment of CRN/CRM	✓	✓	✓	✓	✓

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(between HUD and Acquiring Entity)					
10. Allonge to CRN (Assignment between HUD and Acquiring Entity)	✓	✓	✓	✓	✓
11. Agreement of Assignment of CRN/CRM (between Acquiring Entity and QNP)	✓	✓	✓	✓	✓
12. Allonge to CRN (Assignment between Acquiring Entity and QNP)	✓	✓	✓	✓	✓
13. Assignment of Rehab Escrow Agreement	✓	✓	✓	✓	✓
14. Assignment of Rights of HAP Contract	✓	✓	✓	✓	✓
15. QNP Title Policy	✓	✓	✓	✓	✓
<b>Additional Funds Documents</b>					
1. A/F Transaction Highlights Memo and all attachments	✓	✓	✓	✓	✓
<b>Rehabilitation Funding Documents</b>					
1. Rehabilitation Escrow Deposit Agreement (project and owner funds) with Exhibit A (Repairs) (if applicable)	✓	✓	✓	✓	✓
<b>Multifamily Claims Documents</b>					
1. Form 7.4 541(b) Claim Payment Checklist	✓		✓	✓	✓
2. Form 7.4a HUD-Held or Non-Claim/Non-HUD-Held Restructuring Summary Checklist	✓	✓	✓	✓	✓
3. Form 7.5 Claim Payment Summary	✓		✓	✓	✓
4. Form 7.6 Application for Section 541(b) Payment	✓		✓	✓	✓
5. Wiring Instructions for PPC - Payment Information Form - Treasury Financial Communication System	✓		✓	✓	✓
6. Written Authorization from Mortgagee for Payment to be Sent to Servicer or Other Entity	✓		✓	✓	✓
7. Restructuring Commitment with Special Terms and Conditions and Attached Sources and Uses	✓	✓	✓	✓	✓
8. Certification of Mortgage Balance	✓		✓	✓	✓
9. Mortgagee Record Change HUD 92080 (if applicable)	✓		✓	✓	✓
10. Insurance Termination Request for Multifamily Mortgage HUD 9807 (photocopy)	✓		✓		✓
<b>Multifamily Insurance Operations Branch Documents</b>					
1. Closing Memorandum HUD Form 290	✓				
2. Request for Endorsement of Credit Instrument, FHA Form 2455 (signed by the mortgagee and mortgagor).	✓				
3. Insurance Termination Request for Multifamily Mortgage HUD 9807 – ORIGINAL	✓		✓		✓
4. Restructuring Commitment - COPY	✓				
5. MIP Check and Initial Premium Receipt – COPIES	✓				

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6. Mortgagee Record Change, Form HUD 92080 – COPY (if applicable)	✓				
<b>Additional Documents for 223(a)(7) takeout</b>					
1. Mortgagor's Oath, Form FHA-2478	✓				
2. Equal Employment Opportunity Certification, Form HUD-92010	✓				
3. Title VI Assurance of Compliance, Form HUD-4190	✓				
4. Mortgagor's Byrd Amendment Certificate	✓				
5. Mortgagee's Byrd Amendment Certificate	✓				
6. Mortgagor's Low Income Housing Tax Credit Certification	✓				
<b>Additional Documents</b>					
1. Certification re: Notice and Administrative Proceedings	✓	✓	✓	✓	✓
2. Certification re: Sources and Uses of Funds Statement	✓	✓	✓	✓	✓
3. Form 7.8, Certification of Closing Attorney [refinance with new (a)(7) FHA loan]	✓				
4. Form 7.11, Certification of Closing Attorney re: Legal Requirements for Requesting Partial Payment of Claim	✓		✓		✓
5. Form 7.12, M2M HUD-held Restructuring Summary	✓	✓	✓		✓
6. Form 7.13, M2M Non-Claim/Non-HUD-held Restructuring Summary	✓		✓	✓	✓
7. Form 7.14, Certification of Closing Attorney re: Legal Requirements for M2M Restructuring with no Partial Payment of Claim	✓	✓	✓	✓	✓
8. Form 4128 Environmental Evaluation	✓	✓	✓	✓	✓
9. Form 7.3, Certification (from PAE Attorney) of Closing to OAHF Preservation Office Director	✓	✓	✓	✓	✓
10. Firm Commitment Section 223(a)(7) and amendments	✓				
11. Funds Authorization Form, HUD 9250 (for Reserve for Replacement Account)	✓	✓	✓	✓	✓
12. Building Permit for Repairs from Local Govt. (if required)	✓	✓	✓	✓	✓
13. Amendment to Organizational Documents (if required)	✓	✓	✓	✓	✓
14. Evidence of Property/Hazard Insurance	✓	✓	✓	✓	✓
15. Closing Escrow Agreement	✓	✓	✓	✓	✓
16. Form 7.7, Closing Parties Checklist	✓	✓	✓	✓	✓
17. Risk Sharing (542(c)) Closing Checklist (if applicable)			✓		
18. Section 223(f) Closing Checklist (if applicable)	✓				
19. W-9 IRS Tax Identification Number Verification	✓	✓	✓	✓	✓
20. Form 7.16 Certification of Mortgagor	✓	✓	✓	✓	✓

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Information					
21. Final Settlement Statement (signed by Escrow Agent)	✓	✓	✓	✓	✓
22. Form 7.21, Transmittal and Certification of Interim/Final Settlement Statement and Closing Escrow Instructions	✓	✓	✓	✓	✓
23. HUD-92476-A, Escrow Agreement Additional Contribution by Sponsors, if applicable	✓				✓
24. Alternate Operating Defecit Escrow Agreement (if HUD is not administering escrow)			✓		
25. Final form 7.21 with Final Settlement Statement attached. Must include signed certifications that closing escrow is closed.	✓	✓	✓	✓	✓

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