

Rental Assistance Demonstration (RAD) Conversion to Permanent Financing Ownership Certification Template

Instructions: Complete all required information below, execute, and upload this certification to the Post-Closing Processing transaction page on the RAD Resource Desk, www.radresource.net.

If the Owner is able to certify to statements 1-6 below, no additional HUD review is required. Upon HUD acknowledgement of receipt of the executed certification, the Owner may proceed to close on the permanent financing.

If the Owner is unable to certify to statements 1-6 below, HUD review and approval is required prior to financial closing. The Owner should upload the required documentation found in the RAD Post Conversion Approval Processing Guide, Conversion to Permanent Financing section. The Guide can be found by going to www.radresource.net > RAD for PHAs > Document Library > Post Closing > Guidance > select Post Conversion Approval Processing Guide. The documents should be uploading to the Post-Closing Processing transaction page on www.radresource.net. Contact resourcedesk@radresource.net with any questions.

Part 1: General Information

RAD Project Name:

RAD Section 8 HAP Contract Number:

Input the proposed loan terms for the first lien financing:

Lender Name:	
Loan Amount:	
Interest Rate:	
Loan Term:	
Amortization Period:	
Monthly Debt Service:	

Part 2: Ownership Certifications

Owner must certify to statements 1-6 below by checking the box to the left. If Owner is not able to make all required certifications, a full review is required prior to financial closing.

1. The loan amount has not increased or decreased 5% or more and the monthly debt service has not increased by 5% or more from what was approved as part of the RAD Conversion Plan submission (or as approved during the RAD closing process via the executed RAD Section 202 PRAC Conversion Agreement).
2. The terms of the first mortgage loan remain in compliance with the RAD Notice requirements. The following statements about the proposed first mortgage financing are true:
 - Fixed rate of interest
 - Fixed term

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- Fully amortizing over no more than 40 years
 - No balloon payment until after the earlier to occur: 1) expiration of the term of the RAD HAP contract or 2) 17 years from the date of the permanent debt financing
 - Debt service coverage is a minimum of 1.11 (based on underwriting analysis performed by the lender)
3. The RAD Completion Certification for the project has been accepted by HUD.
4. Unless previously disclosed and approved by HUD in writing or as part of the RAD Completion Certification submission, Owner certifies that there has been no change to the Amount of Proceeds shown on page 2 and Exhibit A, Sources and Uses, of the RAD Section 202 PRAC Conversion Agreement.
5. There have been no material changes to the title of the project since Closing and all new liens and encumbrances have been or will be subordinated to the RAD Housing for the Elderly Restrictive Covenants and Use Agreement.
6. Once closing has occurred, Owner agrees to provide copies of all final executed documents to the assigned HUD Post-Closer for uploading to the Post-Closing Processing transaction page on the RAD Resource Desk, www.radresource.net

PROJECT OWNER:

By: _____

Name:

Title:

Date:

Signatory certifies that information provided to HUD is true and accurate, to the best of its knowledge. HUD will prosecute false claims and statements. Convictions may result in criminal and/or civil penalties (18 U.S.C. 1001,1010,1012; 31 U.S.C. 3729/FS3802).