Conditional Commitment
Direct Endorsement
Statement of Appraised Value

General Commitment Conditions
1. Maximum Mortgage Amount and Term:
(a) Occupant Mortgagors: Mortgage amount and terms assume satisfactory
owner-occupant mortgagor(s). They may be changed depending upon the
rating of borrower, his/her income and credit.

(b) Changes: the Commissioner or Direct Endorsement (DE) Underwriter may,
after reviewing pertinent information, change the mortgage amount and term.

2. Approval of Borrower: A determination for approval will be based upon
receipt of acceptable application for mortgage credit analysis.

3. Validity Period: This document expires six months from the issue date in
the case of an "existing" house or not more than twelve months from its date for
"proposed" construction, or 203K rehabilitation loan. A shorter period may be
imposed by HUD for proposed construction. All cases are classified as "existing"
or "proposed" for the purpose of determining expiration date. Accordingly a
house, even though still under construction, may be classified as an existing
house if it was not approved by HUD, VA, or a DE Lender prior to beginning of
construction. Lower loan-to-value ratios will be applied unless construction
exhibits are certified by builder as meeting applicable codes and HUD require-
ments and are covered by a HUD approved insured 10-year protection (war-
ranty) plan.

4. Cancellation: This document may be cancelled after 60 days from the date
of issuance if construction has not started.

5. Property Standards: All construction, repairs, or alterations proposed in the
application or on the construction exhibits returned herewith must equal or
exceed applicable codes and HUD requirements.

Information: The estimates of fire insurance and taxes are furnished for mortgagee's and mortgagor's information. They must be used to prepare the
Addendum to the Uniform Residential Loan Application, form HUD-92900-A, when a firm commitment is desired.

Commitment Terms

- Conditional Commitment for Mortgage Insurance under the National Housing Act, Sec.

By:

- See below

Action Date
Lender ID
FHA Case No.
Sponsor/Agent
INST Case Ref. No.

Mortgagee

Est. Value of Prop.$

Property Address:

- Existing
- Proposed

Monthly Expense Estimate

(see gen. cond. 3)

Fire Insurance $ $

Taxes $ $

Commitment issued

Commitment Expires

Improved Living Area

Condo. Com. Exp. ...

Sq. Fl.$

Total $ $

Specific Commitment Conditions (Applicable when checked)

HUD's commitment to insure a mortgage on this property is dependent on the completion of the conditions listed below.

HUD Does Not Guarantee the work done to comply with the conditions.

Estimated Remaining Economic Life of this property is ___ years.

This property ___ is, ___ is not eligible for maximum financing (high loan-to-value ratio mortgage).

- Manufactured Housing

- Section 221(d)(2): The maximum insurable mortgage

- Assurance of Completion: If the required repairs cannot be completed prior to submission of closing papers, form HUD-92300 made in
the amount of $ (or such additional amount as the lender desires) may be established as the means to ensure completion.

See indicated additional items on attached:

See the following additional conditions on the back:
B. Proposed Construction: The builder or mortgagee must notify the assigned Fee Inspector as appropriate (see items 11, 12, and 13 below).

C. Warranty: Form HUD-92544 is required on all new construction and shall be executed between the builder and the purchaser.

D. Section 223: This commitment is issued pursuant to Section 223(e).

E. Health Authority Approval: Submit local health authority approval (on a form or letter) indicating the individual water supply and/or sewage disposal system is acceptable.

F. Reserved.

G. Prefabricator's Certificate: The Lender shall provide a prefabrication certificate as required by the related engineering bulletin.

H. Termite Control: (Proposed Construction) If soil poisoning is used, the builder shall complete form HUD-92052, Termite Soil Treatment Guarantee, and transmit a copy to HUD or the Direct Endorsement Underwriter. The Mortgagor will deliver the original and a copy to the mortgagor at closing.

4. Flood Insurance Requirement: This property is located in a special flood hazard area and must be covered by flood insurance in accordance with HUD regulation 24 CFR 203.16a.

5. Carpet Identification: (as listed in Certified Products Directory) Manufacturer recommended maintenance program must be provided to the homebuyer.

6. Termite Control (Existing Construction): A recognized termite control operator shall furnish certification using form NCPA-1, or State-mandated form, that the house and other structures within the legal boundaries of the property indicate no evidence of active termite infestation.

7. Code Enforcement: The lender shall submit a statement from the public authority that the property meets local code requirements. If the mortgage on the property is to be insured under Section 221(d)(2), a code compliance inspection is required.

8. Repairs: The lender shall notify the original appraiser upon completion of repairs, unless otherwise instructed.

9. Lender's Certificate of Completion: The lender shall furnish a certificate that required repairs have been examined and were satisfactorily completed.

10. Manufacturers Warranties must be provided to the homebuyer covering heating/cooling systems, hot water heaters, ranges, etc.

11. Initial Inspection (2 working days) is requested before the "beginning of construction" with forms in place.

12. Frame Inspection (1 working day) is requested when the building is enclosed and framing, plumbing, heating, electrical, and insulation is complete and visible.

13. Final Inspection is requested when construction is completed and the property ready for occupancy.


15. The Insured Protection Plan Warranty Agreement shall be executed between the builder and the homebuyer.

16. The lender shall furnish a certificate of occupancy or letter of acceptance from the local building authority.