

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Section 223(f) Initial/Final Closing Checklist

Project Name Waterford Place Apartments
Boston, Suffolk County, Massachusetts

Checklist Draft Date May 30, 2014

FHA Project Number 023-11321

Initial/Final Closing Date July 16, 2014

Unless otherwise agreed, the HUD Attorney will obtain 3 sets of all documents: originals (O), certified copies (Cert), or photocopies (C), as noted. Where originals are requested, only 1 needs to be an original, and the rest may be copies. If a copy is requested, an original will be accepted.

Item		HUD Form	#	Status and Comment
I. FHA Commitment				
1.	a. FHA Firm Commitment	HUD-92432	C	X
	b. Amendments, if any		C	X
	c. Assignments, if any		C	N/A
II. Organizational, Due Diligence, and Other Supporting Documents				
2.	Borrower's Incumbency Certificate with Organizational Documents attached		O	<i>CCBA WATERFORD PLACE, LLC, a Massachusetts limited liability company</i>
	a. Filed formation documents, from Secretary of State, as amended		C	X
	b. Operating Agreement / Partnership Agreement / Bylaws, as amended		C	X
	c. Authorizing Resolution		C	X
	d. Status certificate		C	X
	e. Qualification to Do Business in Project State		C	N/A
3.	Borrower's Managing Member / General Partner's Incumbency Certificate with Organizational Documents attached		O	<i>WATERFORD PLACE MANAGEMENT, LLC, a Massachusetts limited liability company CHINESE CONSOLIDATED BENEVOLENT ASSOCIATION OF NEW ENGLAND, INC., a Massachusetts non-profit corporation</i>
	a. Filed formation documents, from Secretary of State, as amended		C	X
	b. Operating Agreement / Partnership Agreement / Bylaws, as amended		C	X
	c. Authorizing Resolution		C	X
	d. Status certificate		C	X
	e. Qualification to Do Business in Project State		C	N/A
4.	ALTA Survey Plat with HUD Survey Certification		O	X

Item		HUD Form	#	Status and Comment
5.	Surveyor's Report	HUD-92457M	O	X
6.	Title Insurance Policy, with endorsements		O	X
	a. Title Exception Documents		C	X
	b. UCC Search Report		C	X
7.	Deed or Ground Lease	HUD-92070M, if Ground Lease	C	X
8.	Evidence of Zoning Compliance		C	X
9.	Evidence of Building Code Compliance		C	X
10.	Assurance of Utility Service		C	X
11.	Opinion of Borrower's Counsel	HUD-91725M	O	X
	a. Certification of Borrower	HUD-91725M- CERT	O	X
	b. Supporting legal opinion		C	
	c. List of pending litigation		C	X
12.	Inspection Fee Check		O	X & Additional Exam Fee included here
13.	Mortgage Insurance Premium (MIP) Check		O	X
14.	Special Conditions from Firm Commitment		C	Please See Below
15.	Local Requirements		C	N/A
16.	Attendance List		O	X
III. HUD Loan Documents				
17.	Note (Multistate)	HUD-94001M & state addendum	C	X
18.	Security Instrument	HUD-94000M & state addendum	O	X
19.	Regulatory Agreement	HUD-92466M	O	X
20.	UCC Financing Statements (State & County)		C	X
21.	Request for Endorsement of Credit Instrument	HUD-92455M	O	X
22.	Agreement and Certification	HUD-93305M	O	X
23.	Short Form Cost Certification	HUD-2205-A	O	N/A

Item	HUD Form	#	Status and Comment
24. Certified Closing Statement		O	X
25. Certificate Regarding Tenant's Security Deposit		O	X
26. Lender's Assurance of Permanent Financing		O	X
27. Escrow Agreement for Non-critical, Deferred Repairs	HUD-92476.1M	O	X
28. Operating Deficit Escrow	HUD-92476a-M	O	N/A
29. Escrow Agreement for Off-Site Facilities	FHA-2446	O	N/A
30. Excess Mortgage Proceeds Escrow		O	N/A
31. Other escrow agreements, if applicable		O	N/A
32. Borrower's Oath	HUD-92478M	O	X
IV. Secondary Financing Loan Documents			
33. Restrictive Covenants/Use Agreements		C	X <i>Disposition Agreement</i>
34. Secondary Financing Loan Documents		C	X
a. Release		C	X
b. Note		C	X
c. Mortgage		C	X
d. Subordination Agreement, or Rider to Note and Mortgage	HUD-92420M	O	X
35. Disbursement Agreement		O	N/A
V. HUD Administrative Documents and Additional Requirements			
36. Administrative Memo with attached Waivers and HUD-2 forms		O	<i>If applicable.</i>
37. Document Review Worksheets, if applicable		O	<i>If applicable.</i>
38. Previous Participation Certification Clearance	HUD-92530	C	
39. HUD Representative's Trip Report	HUD-95379	O	
40. Commercial Space Leases (with Tenant Estoppel Certificates)		C	N/A
41. Subordination, Non-Disturbance and Attornment Agreements		C	N/A
42. EEOC Certification	HUD-92010	O	X
43. Title VI Assurance of Compliance	HUD-4190	O	X

Item	HUD Form	#	Status and Comment
44. Borrower's Byrd Amendment Certificate		O X	
45. Lender's Byrd Amendment Certificate		O X	
46. LIHTC Certificate		O X	
47. Evidence of Insurance		X	
48. Current Payment Letter		X	
49. Payoff Letter		X	
50. HUD-compliant Management Agreement		X	
51. Borrower's and Management's Certificate of Representations and Warranties		X	

TAB #14 SPECIAL CONDITIONS TO FHA FIRM COMMITMENT

SPECIAL CONDITION	SPECIAL CONDITION NO.	STATUS/LOCATION
Commitment Condition 23: Prior to initial endorsements, the owner must provide HUD with certification/evidence that all accounts payable and outstanding liabilities for project operating expenses have been cleared and released	Commitment Condition No. 23	Included here
Complete Critical Repairs and Escrow for Non-Critical Repairs	Special Condition No. 25	Evidence of completion of critical repairs included here See Tab No. 27 for Escrow Agreement of Non-Critical Repairs
Provide verification that all critical repairs are complete and inspected. An inspection fee of \$2,838 shall be paid at initial/final endorsement	Special Condition No. 26	See Special Condition No. 25 and see Tab No. 12
Smoke Detector Certification per MAP Guide	Special Condition No. 27	Included here
Deposit 20% contingency in Non-Critical Repair Escrow	Special Condition No. 28	See Tab No. 27

The Mortgagee may release funds in the escrow in proportion to the cost of work completed less a 10% holdback, which will be held until all work is completed and found acceptable.	Special Condition No. 29	See Tab No. 27
Funds in escrow account may be released when (i) repairs complete; (ii) evidence of clear title has been provided to field office; and (iii) latent defects assurances have been provided	Special Condition No. 30	See Tab No. 27
Non-Critical Repairs must be completed within 12 months of endorsement	Special Condition No. 31	See Tab No. 27
Lender to complete repairs by end of repair period if Borrower does not. Lender will provide Borrower with a breakdown of the repairs, and costs of completion (including administrative expenses). Funds remaining in the escrow after completion of repairs will be returned to the Borrower less administrative costs incurred in completing the repairs.	Special Condition No. 32	See Tab No. 27
HUD may inspect the progress of repairs and HUD and its representatives shall at all times have access to the property & right to inspect	Special Condition No. 33	Not a deliverable item
Mortgagor must submit certified annual financial statements in accordance with HUD Handbook 4370.1	Special Condition No. 34	Included here
Updated organizational documents	Special Condition No. 35	See Tab No. 2
Add Section 223(f) language to the Note	Special Condition No. 36	See Tab No. 17
In the event the mortgagee is assigning the loan to another lender, HUD must review and give its advance consent prior to closing and assignment	Special Condition No. 37	Not applicable
Executed copies of FHA Commitment and Cost	Special Condition No. 38	See Tab No. 1 and Cost Certification not

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Certification		applicable
HUD recommends projects utilize energy saving methods, mechanical systems and appliances	Special Condition No. 39	Not a deliverable item
Commitment is subject to closing requirements of HUD MAP Guide and Multifamily Program Guide	Special Condition No. 40	Various requirements satisfied in connection with HUD submission and closing
Closing date to be established no earlier than two weeks after submission of three complete sets of draft closing documents	Special Condition No. 41	Done in connection with HUD submission
By accepting commitment, Mortgagor and Mortgagee agree that HUD may rely on the information contained therein and each is obliged to amend or supplement the information if any material facts should change prior to endorsement of the loan	Special Condition No. 42	Not a deliverable item
Updated, certified rent roll to be provided for review and approval prior to closing (w/in 30 days of closing)	Special Condition No. 43	Included here
Survey must be current and conform to the current standards in Mortgagee Letter 2011-21	Special Condition No. 44	See Tab No. 4
All management documents to be updated/compliant with MAP requirements. No hold harmless clauses or outdated references permissible. No Construction Management Fee is allowed. Handbook 4381.5 REV 2 contains information pertaining to special fees	Special Condition No. 45	See Tab No. 50
MIP is 1% for year 1 and 0.45 for subsequent years	Special Condition No. 46	See Tab No. 18 and Tab No. 21
Mortgagor to provide <i>specification</i> for the window replacement with an indication of the noise attenuation provided. Noise attenuation to be the maximum practical.	Special Condition No. 47	Included here

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<p>An acceptable Subordination Agreement (in conformance with MAP Guidelines, etc.) for all secondary debt must be approved by HUD legal. All subdebt to be verified, approved and subject to MAP guide limits/terms. Term Sheet from MassHousing to be provided for acceptance detailing any debt including SHARP loans/interest and any debt deferral/forgiveness</p>	<p>Special Condition No. 48</p>	<p>See Tab No. 34(d)</p>
<p>Updated financial statements and Real Estate Owned Schedules to be provided for review and acceptance. This includes the key principal CCBA.</p>	<p>Special Condition No. 49</p>	<p>Included here</p>
<p>Elevator Machine</p>	<p>Special Condition No. 50</p>	<p>Included here</p>