

**CONDITIONAL COMMITMENT FOR  
SINGLE FAMILY HOUSING LOAN GUARANTEE**

TO: Lender's Name and Address	Case No.
	State
	County
Borrower	Principal Amount of Loan \$

From an examination of information supplied by the Lender on the above proposed loan, and other relevant information deemed necessary, it appears that the transaction can properly be completed.

Therefore, the United States of America acting through the Rural Housing Service (RHS), or its successor (herein referred to as Agency) hereby agrees that, in accordance with applicable provisions of the Agency regulations published in the Federal Register and related forms, it will execute Form RD1980-17, "Loan Note Guarantee," subject to the conditions and requirements specified in said regulations and below.

The Loan Note Guarantee fee payable by the Lender to Agency is \$\_\_\_\_\_

The interest rate for the loan is \_\_\_\_\_ %.

A Loan Note Guarantee will not be issued until the Lender certifies as required in 7 CFR 1980.360 that there has been no adverse change(s) in the Borrower's financial condition, nor any other adverse change in the Borrower's condition during the period of time from Agency's issuance of this conditional commitment to issuance of the Loan Note Guarantee. The Lender's certification must address all adverse changes and be supported by financial statements of the Borrower and its guarantors not more than 60 days old at the time of certification.

This conditional commitment becomes null and void unless the conditions are accepted by the Lender and Borrower within 60 days from date of issuance by the Agency. Any negotiations concerning these conditions must be completed by that time. Except as set out below, the purposes for which the loan funds will be used and the amounts to be used for such purposes are set out on Form RD 1980-21, "Request for Single Family Housing Loan Guarantee." Once this instrument is executed and returned to the Agency, no major change of conditions or approved loan purpose as listed on these forms will be considered.

Additional Conditions and Requirements including source and use of funds:<sup>2</sup>

This conditional commitment will expire on \_\_\_\_\_<sup>3</sup> unless the time is extended in writing by the Agency, or upon the Lender's earlier notification to the Agency that it does not desire to obtain an Agency guarantee.

UNITED STATES OF AMERICA

By: \_\_\_\_\_

Date: \_\_\_\_\_ (Title)

<sup>1</sup> Insert fixed interest rate.

<sup>2</sup> Insert any additional conditions or requirements in this space or on an attachment referred to in this space; otherwise, insert "NONE".

<sup>3</sup> The Agency will determine the expiration date of this contract. This date will not exceed 90 days from the date of issuance. The Agency may grant one (1) 90 day extension. Consideration will be given to the date indicated by the Lender in the acceptance of conditions. If construction is involved the expiration date will correspond with the projected completion of the project.

**LENDER CERTIFICATION  
FOR SFH GUARANTEED LOAN**

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In connection with the request for loan note guarantee for \_\_\_\_\_, the following certifications are made by \_\_\_\_\_ (Lender). We hereby certify that:

- 1) No major changes have occurred since the issuance of the Conditional Commitment for Guarantee that effect the subject loan request, except any that have been approved by the Agency in writing.
- 2) All planned property acquisition has been completed and all development has been completed.
- 3) The required insurance coverage is in effect.
- 4) All Truth-in-Lending requirements have been met.
- 5) All equal employment opportunity and nondiscrimination requirements have been met at the appropriate time.
- 6) The loan has been properly closed and the required security instruments, including any required recapture instruments, have been obtained.
- 7) The borrower(s) have marketable title to the collateral now owned by the borrower subject to the instrument securing the loan to be guaranteed and any other exceptions approved in writing by the Agency.
- 8) Lien priorities are consistent with the requirements of the Conditional Commitment for Guarantee.
- 9) The loan proceeds have been disbursed for purposes and in amounts consistent with the Conditional Commitment for Guarantee.
- 10) There has been no adverse change in the borrower's financial condition or any other adverse change in the borrower's situation since the Conditional Commitment for Guarantee was issued by the Agency.
- 11) All other requirements listed in the Conditional Commitment for Guarantee have been met.
- 12) At this time, the loan will be \_\_\_\_\_ retained, or \_\_\_\_\_ sold to \_\_\_\_\_

an approved \_\_\_\_\_ FNMA \_\_\_\_\_ FHLMC \_\_\_\_\_ GNMA lender.

The new Lender's address is

\_\_\_\_\_

Their contact person will be \_\_\_\_\_

who can be contacted at

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
LENDER'S AUTHORIZED  
REPRESENTATIVE SIGNATURE