

USDA Form RD 1944-11 (Rev. 11-99)	Position 3  <b>CONDITIONAL COMMITMENT</b>	STATE _____ COUNTY _____
Name and Address of Persons or Firm Requesting Commitment	New Construction: <input type="checkbox"/> Site-built <input type="checkbox"/> Modular or Panelized <input type="checkbox"/> Manufactured Existing: <input type="checkbox"/> Rehabilitation	
Location of Property (Address or Block and Lot No.)	Identification of Plans and Specifications  Commitment Price \$ _____  Date of Commitment _____	
<b>New Construction:</b> Inspection will be made at the following stages:		
<input type="checkbox"/> Stage 1: When foundation excavations are complete and forms or trenches and steel are ready for concrete placement. <input type="checkbox"/> Stage 2: When the building is enclosed, structural members are still exposed and roughing-in for heating, plumbing and electrical work is in place and visible. *For manufactured or modular or panelized construction. Stage 2 inspection will be made within two working days after the unit is erected or placed on the foundation. <input type="checkbox"/> Stage 3: When construction is completed and building ready for occupancy.		
*NOTE: Stage 2 and 3 inspections for manufactured homes may be combined when authorized by the State Director.		
<b>Rehabilitation of Existing:</b> Inspections will be made at the following stages (specify).  _____		
<b>SPECIFIC CONDITIONS (Applicable When Checked)</b>		
<input type="checkbox"/> <b>Health Authority Approval:</b> Approval in writing of water supply or sewage disposal installation by health authority. <input type="checkbox"/> <b>Street Approval:</b> Written statement that streets have been dedicated to and accepted by the public body which shall have the responsibility for continuous maintenance. <input type="checkbox"/> <b>Termite Control:</b> For existing house provide a certificate from reliable firm certifying that the building is now free of termite infestation. In case unrepaired termite damage exists it must be specifically described in the certificate. In the case of a new house, furnish a certificate that the soil has been properly treated against termites. <input type="checkbox"/> <b>Builders Warranty:</b> The builder will execute Form RD 1924-19, "Builder's Warranty," upon completion of the work. <input type="checkbox"/> <b>Construction Inspections:</b> Notice of construction status and request for inspection will be given to the Community Development Manager two working days before the inspection is to be made.		
<b>OTHER CONDITIONS</b>		
Authorized Agency representative _____		Date _____

Used in issuing a Conditional Commitment to a builder or seller.

(see reverse)

- PROCEDURE FOR PREPARATION** : HB-1-3550
- PREPARED BY** : Loan Approval Official.
- NUMBER OF COPIES** : Original and one copy.
- SIGNATURES REQUIRED** : Loan Approval Official.
- DISTRIBUTION OF COPIES** : Original to person or firm requesting commitment, copy to file.

## REVERSE OF FORM RD 1944-11

### OTHER CONDITIONS *(continued)*

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#### GENERAL CONDITIONS

Development Standards: The construction must be completed in accordance with the applicable development standards, drawings and specifications or description of materials submitted with the application except for changes that have prior written acceptance of the Rural Housing Service (RHS) or its successor Agency. Exceptions for changes may be submitted for prior written acceptance by the RHS.

Code Compliance: All construction and improvements must comply with any applicable codes, regulations and zoning ordinances.

Title Clearance: The seller will on the date of loan closing deliver title that is good and marketable in fact and certify that there are no outstanding debts that may result in a judgment or material man's or mechanics' lien against the property.

Title Curative Costs: Any costs involved in any title curative action will be paid by the seller.

Taxes and Assessments: The seller also will pay any taxes, assessments or similar charges due as of the date of loan closing.

Commitment Term: The commitment shall expire one year from the date specified above unless extended in writing by the RHS.

Cancellation: This commitment may be cancelled by the RHS if construction of the dwelling is not begun within 60 days after commitment is issued. It will also be cancelled if construction is not in accordance with approved plans, specifications, or the applicable development standards.

Change of an Area from Rural to Nonrural: If the area where the property is located is changed from rural to nonrural, the commitment will be honored only if the property is sold to an RHS applicant whose application was received by RHS prior to the date the area was determined to be nonrural.

Conditional Commitment: RHS will, if the construction is completed in accordance with the terms of the conditional commitment, approve the house as suitable for a rural housing loan and will, if and when funds are available, provide a loan to an eligible, qualified applicant to buy the house. The agency will not, however, assure that a qualified buyer for the home will be available or reserve funds for the loan unless the conditional commitment and the loan are approved at the same time and funds have been obligated by the Finance Office. The commitment applicant's selling price if the dwelling is bought and financed with a Rural Housing loan will not exceed the commitment price.