

Capital Advance Program  
Owner's Attorney's Closing Opinion

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0470  
(exp. 8/31/2013)

Under Section 202 of the Housing Act of 1959  
or Section 811 of the National Affordable Housing Act

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information collection is necessary to ensure that viable projects are developed. It is important to obtain information from applicants to assist HUD in determining if nonprofit organizations initially funded continue to have the financial and administrative capacity needed to develop a project and that the project design meets the needs of the residents. The Department will use this information to determine if the project meets statutory requirements with respect to the development and operation of the project, as well as ensuring the continued marketability of the projects. This information is required in order to obtain benefits. This information is considered non-sensitive and no assurance of confidentiality is provided.

Project Number:	Project Name:
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Location:

To HUD:

I am the attorney for the owner and have prepared or reviewed all of the documents in connection with the organization of the owner entity; together with the regulatory agreement, note, mortgage (deed of trust), use agreement, capital advance agreement, construction contract, assurance of completion, certifications and other collateral documents which have been submitted to and are being relied upon by HUD.

It is my opinion that:

1. The owner is a valid existing legal entity; it has authority to engage in the business contemplated by this transaction; all incorporation fees and taxes have been paid; all pertinent securities requirements have been met; the note, mortgage (deed of trust), use agreement, regulatory agreement and other collateral documents required by HUD to be executed by the owner have been executed by the person(s) authorized to execute the same and are instruments legally binding on the owner; and the mortgage (deed of trust) constitutes a valid first lien on the property herein described.
2. The building permit(s) has (have) been legally issued and construction in accordance with the plans and specifications is authorized by said permit(s).
3. The proposed construction complies with all applicable zoning laws and requirements. There is no legal action pending or threatened, or proposed changes in zoning, which would prevent the construction from being completed in accordance with the plans and specifications.
4. There is no default under the Land Disposition Contract between \_\_\_\_\_ and \_\_\_\_\_ and the time within which construction must be completed under the loan agreement is within the time specified for completion in said Land Disposition Contract (this paragraph is required only in cases where the project is in an urban renewal area).

I hereby certify that satisfactory arrangements have been made for payment of my fees for legal services and that I will assert no claim or lien by reason of such services against the mortgaged premises, mortgage proceeds or income from said premises.

I hereby certify that I do not represent any development team member or any other party or interest in connection with the above referenced housing project other than the owner except for representation as the personal attorney for an individual associated with a development team member in matters not involving the housing project. If a dispute arises between the owner and a development team member, my efforts will be directed exclusively towards serving the owner. I have submitted to HUD an Identity of Interest and Disclosure Certification.

I hereby agree that I will represent the owner, if it so desires, in connection with the final loan disbursement by HUD, in which event I will be entitled to the 25% payment now being withheld.

Except for the 25% being withheld (amounting to \$ \_\_\_\_\_) I have been paid in full for my services and to the best of my knowledge, information and belief the owner is obligated to no other party on account of legal services, except that \$ \_\_\_\_\_ is payable upon disbursement of the capital advance.

Attorney for the Owner: