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| **Change of Ownership Review Checklist**  Section 232 |  | **U.S. Department of Housing and Urban Development**  Office of Residential Care Facilities |

**Warning:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

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| **Project Name:** |
| **Project Number:** |
| **Applicant Name:** |

**SUBMISSION REQUIREMENTS:**

* This checklist must be used for the following Change of Participant (CHOP) transaction types: Change of Borrower Entity, Change of Borrower’s Controlling Participants(s), and Change of Borrower’s IRS reporting structure. If the transaction also includes a Change of Operator or Change of Management Agent, you may use this checklist for the entire transaction*.*
* For more information on ORCF’s CHOP criteria, please see the Healthcare Mortgage Insurance Program Handbook 4232.1, Section III, Chapter 7.
* If a CHOP is occurring in conjunction with the closing of a new Section 232 loan, **do not use this checklist.**
* For changes in Section 38 signatories that do not trigger a CHOP please contact your assigned Account Executive to discuss amending the Borrower’s Regulatory Agreement.
* Note: If a Management Agent has been deemed an Operator, all Operator documents must be submitted for the management agent.
* Note: If a Hospital District is proposing to be the Operator under an Upper Payment Limit (UPL) program, all Operator documents (including the Operator Regulatory Agreement and Security Agreement) must be submitted for the Hospital entity as well as for the Sub-Operator entity responsible for the day-to-day operations. However, the Hospital entity is not required to execute the Cross-Default Guaranty as it is permitted to have other non-project related income. The Hospital District’s Operator Security Agreement must include language that the revenues from IGT/UPL transactions are available for delinquencies and other project operating needs.
* Redlines of all HUD forms and of all revisions to the draft documents must be provided.
* **Portfolio Review Process**: To expedite portfolio CHOP reviews, the Lender may request a lead AE and lead attorney and designate a lead project. If the Lender elects this option, the Lender should submit the lead project’s CHOP submission ahead of the other projects. The lead attorney will provide comments on the lead project submission. Once the lead project submission is legally acceptable, the Lender’s counsel can draft and submit the CHOP submissions for the other projects in the portfolio. Note: For the other projects’ submissions, redlines of HUD forms should generally be provided against the standard HUD form, NOT against the lead project’s form (as each project may have deal-specific documents, special conditions, and/or riders).
* It is **critical** that you name each file according to the naming convention provided in the checklist **highlighted in green.** These highlighted numbers are important codes that “guide” the Portal system to recognize the type of transaction submitted, section number of the checklist, and the identity of the document. Therefore, appropriate file names for this submission package would include **99901-a\_Lender’s Narrative [OR] 99901-a\_LendersNarrative [OR] 99901-a\_LNarrative.** In all three examples, the critically important portion of the file name is the five-digit number, dash, letter, and underscore that have been highlighted in green on the checklist. Do not use the following characters in your file names: Less than: (<), Greater than: (>), Colon: (:), Double quote: ("), Forward slash: (/), Backslash: (\), Vertical bar or pipe: (|), Question mark: (?), Asterisk: (\*).
* The below Transaction Factors will guide which documents may apply to your transaction.

**Transaction Determinant Factor Questions:**

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|  | **Yes** |  | **No** | |
| 1. Will there be a change in the control of the project ownership? |  |  |  | |
| * 1. Will a significant sum of money (any amount that exceeds 10% of the original loan amount), change hands in conjunction with the transaction?  N/A |  |  |  | |
| 1. Does this transaction involve the transfer of title from the Borrower entity to a buyer, including conveyance by installment sales contract, land contract, or wrap-around mortgage? |  |  |  | |
| 1. Does this transaction involve the transfer of any interest in a partnership Borrower that causes a dissolution of the partnership under applicable state law? |  |  |  | |
| 1. Does this transaction involve the transfer of the beneficial interest in a passive trust that results in a change in control and management of the asset, although legal title remains in the trustee? |  |  |  | |
| *If you answered “Yes” to any of the* ***Key Questions 1 through 4*** *above, you must  provide the applicable documents requested in the checklist exhibits and complete  those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the corresponding code (1)*. *Please check the box here and move on.*  (1) | | | | |
| 1. Does this transaction involve the transfer of interests in entities owning properties with the following characteristics? (If you answered “Yes” to this question, please check the box of the applicable characteristics from the list below.) |  |  |  | |
| * 1. Any transfer of partnership interests in excess of 50% that do not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has no identity-of-interest with the partnership and is licensed to practice law in the state where the partnership is organized.   2. Addition or substitution of a managing or controlling member in a Limited Liability Company (LLC).   3. The substitution of one or more of the general partners of a limited partnership Borrower that does not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has  no identity-of-interest with the partnership and is licensed to practice law in the state where the project is located.   4. A transfer of stock of a corporate general partner of a partnership  where such transfer results in one person or entity controlling in  excess of 50% of the stock of a publicly traded entity or closely held corporation, where such transfer results in a change of control of the corporate general partner.   5. A transfer of stock of a corporate Borrower where such transfer  results in one person or entity, other than the original controlling  entity, controlling stock in excess of 50%, or an amount less than 50% where such a transfer results in a change of control of the corporate Borrower.   6. Transfer of a beneficial interest in a passive trust that does not  result in a change in control of the property.   7. Other entities not falling into categories above, where the managing control is changing (e.g., a change to a corporate officer or voting board member of a non-profit corporation). |  |  |  | |
| *If you answered “Yes” to* ***Key Question 5*** *above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the  corresponding code (2)*. *Please check the box here and move on.* (2) | | | | |
| 1. Does the transaction involve a change of the Internal Revenue Service (IRS) Reporting Structure (i.e., when a Borrower changes from Limited Partner (LP) to LLC, but all principals remain the same and the tax identification number (TIN) is not changing? |  |  |  | |
| *If you answered “Yes” to* ***Key Questions 6*** *above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with the corresponding code*. *Please check the box here and move on…* | (3) | |  |  | |
| 1. Does this transaction also include a change of the Operator |  |  |  | |
| 1. Does this transaction also include a change of the Management Agent? |  |  |  | |
| *If you answered “Yes” to* ***Key Questions 7 and/or 8*** *above, you must provide the  applicable documents requested in the checklist exhibits and complete those sections of the* ***Change of Ownership Lender Narrative*** *(HUD-92266-ORCF) marked with  the corresponding code (4) and/or (5), respectively*. *Please check the box here and  move on.* (4) [and/or] (5) | | | | |

| **No.** | **Item** | **Incl.** | **N/A** |
| --- | --- | --- | --- |
|  | **92201-a\_**Completed **Change of Ownership** Checklist (1,2,3,4,5) |  |  |
|  | **92202-a\_Lender Narrative** for Change of Ownership Application (Form HUD-92266-ORCF) (1,2) |  |  |
|  | **92203-a\_**Contact Sheet (Form HUD-90024-ORCF) (1,2) |  |  |
|  | **92204-a\_**Letter describing proposed change in organizational structure (3)  *This letter, submitted on the Lender’s or Borrower’s letterhead, must provide a brief narrative that describes the proposed change of the IRS reporting structure and confirm that all principals of the borrower and the tax identification number (TIN) will remain the same.* |  |  |
|  | **92205-a\_**Lender’s Consent to Transaction (3) |  |  |
|  | **92206-a\_**Application fee- (Pay.gov receipt) (1,2)  *An application fee $0.50 per $1,000 of the original face amount of the HUD-insured loan is required. The same application fee is required if the proposed transaction involves:*   * *Transfer of more than fifty percent (50%) of “partnership” Mortgagor’s Interest* * *Transfer of more than fifty percent (50%) of the Corporate Stock of “Corporate Mortgagor”* * *Transfer of less than fifty percent (50%) of the corporate stock of “Corporate Mortgagor” if the result is a “Change in Control” of Corporate Mortgagor* |  |  |
|  | Organizational Documents – Borrower (1,2,3)   1. **92207-a\_**Organizational Charts *(current and proposed)* 2. **92207-b\_**Organizational certification *(including incumbency)* 3. **92207-c\_**Formation documents, as amended 4. **92207-d\_**Governing documents, as amended 5. **92207-e\_**Authorizing resolution 6. **92207-f\_**Status certificates   Principal of Borrower’s Organizational Documents (2)……………………………………  *Provide for any entity in Borrower’s signature block. For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust.*   1. **92207-aa\_**Organizational Charts *(current and proposed)* 2. **92207-bb\_**Organizational certification *(including incumbency)* 3. **92207-cc\_**Formation documents, as amended 4. **92207-dd\_**Governing documents, as amended 5. **92207-ee\_**Authorizing resolution 6. **92207-ff\_**Status certificates |  |  |
|  | **92208-a\_**Qualifications-Resumes (Purchaser-New Borrower, New Operator, and-or New Management Agent) (1,2,4,5)  *Provide evidence for the business entity and each of its principals.* |  |  |
|  | Attorney’s Opinion(s)  *OMB Opinions are only required for a full change of the Borrower entity, Operator entity, or Master Tenant entity. The Opinion format can be adapted for CHOP transactions as needed.*  **92209-a\_THIS LINE INTENTIONALLY LEFT BLANK**  **92209-b\_** Opinion of Borrower’s Counsel (HUD-91725-ORCF) (1)  **92209-c\_** Opinion of Operator’s Counsel (HUD-92325-ORCF) (4)  **92209-d\_** Opinion of Master Tenant’s Counsel (HUD-92335-ORCF) (4)  **92209-e\_**[Attorney’s Certification on Execution and Recordation](https://www.hud.gov/sites/documents/Attorney_Cert_Execution.doc) *(see ORCF Loan servicing website)* (1,2,3,4,5) |  |  |
|  | **92210-a\_**Evidence of Registration for Controlling Participants in Business Partner Registration System (BPRS) (1,2,3,4,5) |  |  |
|  | **92211-a\_**Application for Facility License **[OR]** copy of License with name of New Operator entity (1,3,4,5) |  |  |
|  | Evidence of Title Insurance (1,3)  *Applicable when the mortgage is assumed or amended (to modify references to the Master Lease in pre-2019 documents)*   1. **92212-a\_**Date downpro forma title endorsement   [OR]   1. **92212-b\_**Pro forma ALTA Loan Title Insurance Policy   [AND]   1. **92212-c\_**Title agent letter of authority |  |  |
|  | **92213-a\_**Executed Purchase and Sale Agreement (1,2) |  |  |
|  | **92214-a\_**Proposed Bill of Sale and Assignment (HUD-92228-ORCF) (1,2) |  |  |
|  | Assumption/Amendments   1. **92215-a\_ THIS LINE INTENTIONALLY LEFT BLANK** 2. **92215-b\_**Assumption of Security Instrument (1)   *If the current mortgage is a separate document from the security agreement, then both documents must be assumed. (If the project is being removed from or added to a Master Lease and the mortgage is prior to 06/2019, the Assumption must also revise the mortgage’s references to the Master Tenant/Master Lease.)*   1. **92215-c\_**Assumption of Borrower Regulatory Agreement **[or]** New Borrower Regulatory Agreement (1)   *An Assumption of the Borrower Regulatory Agreement is required for purchasers of projects using pre-July 2013 documents; and the provisions of the newest version of the Borrower Regulatory Agreement are required for purchasers of projects using documents dated July 2013 or later (either via an (a) assumption & amendment or a (b) new agreement).*  *If executing an Assumption, please note that the Borrower Regulatory Agreement must also be amended to:*  *1) revise any outdated references to the Master Tenant/Master Lease (if the project is being removed from or added to a Master Lease and the Regulatory Agreement is prior to 06/2019),*  *2) add a Master Lease Termination provision (if project is being added to a master lease that does not extend to the end of the mortgage),* ***and***  *3) amend the Section 38 signatories (if the signatories need changing).*  *If executing a new Borrower Regulatory Agreement, please ensure that any Special Conditions in the current Borrower Regulatory Agreement are carried over and that the Assumption of Security Instrument incorporates the new Borrower Regulatory Agreement by reference.*  Releases of Regulatory Agreements  ***Optional.*** *Only applicable if a new Regulatory Agreement is being executed (not applicable for assumptions).*   1. **92215-d\_**Release of existing Borrower Regulatory Agreement (1) 2. **92215-e\_**Release of existing Master Tenant Regulatory Agreement (4) 3. **92215-f\_**Release of existing Operator Regulatory Agreement (4) |  |  |
|  | **92216-a\_**Copy of Existing Borrower’s Regulatory Agreement (1,2,3) |  |  |
|  | New Operator’s Security Agreement and related documents (4)  *If Project is also being removed from or added to a Master Lease, the existing Operator Security Agreement, if dated prior to 06/2019, must be amended to change all references to Master Tenant/Lease. For UPL/IGT transactions, language must be added to the Operator Security Agreement which provides that IGT/UPL proceeds that are not considered Excluded Proceeds (as defined by the transaction specific agreements) are included in the definition of Government Payments. Request sample language from ORCF.*   1. **92217-a\_**New Operator’s Security Agreement (HUD-92323-ORCF) 2. **92217-b\_**UCC Financing Statement (County) 3. **92217-c\_**UCC Financing Statement (State) 4. **92217-d\_**Operator Assignment of Rents and Leases (HUD-92324-ORCF) |  |  |
|  | Deposit Control Agreement(s) (4)  *Applicable if deposit accounts are changing.*   1. **92218-a\_**Deposit Account Control Agreement (DACA) 2. **92218-b\_**Deposit Account Instructions and Services Agreement (DAISA) *(if applicable)* |  |  |
|  | Evidence of Professional Liability Insurance (PLI) Coverage   1. **92219-a\_**ACORD Certificate of PLI (4) 2. **92219-b\_**Schedule of facilities covered by PLI policy (4) 3. **92219-c\_**Potential PLI claims certification (4) 4. **92219-d\_**Evidence of PLI insurer’s rating (*printout from AM Best Rating or Demotech*) (4) 5. **92219-e\_**Insurance certification (HUD-92435-ORCF) (1, 2) |  |  |
|  | **92220-a\_**Six-year loss history of all claims against New Operator-New Parent of the Operator *(4)*  *If property subject to the CHOP is being added to an umbrella PLI policy, please provide six-year loss history for that policy. If property subject to the CHOP is being added to a stand-alone PLI policy (regardless if there is a Parent of an Operator or not), please provide a six-year loss history for each facility that the controlling participants’ operate. The six-year loss history should be provided in annual summary form (prepared by the insurance company or third-party administrator).* |  |  |
|  | Draft Operating Lease (or Sublease) (1,4)  *In some cases, such as if the project is being removed from or added to a Master Lease, the existing Operator Lease will need to be terminated.*   1. **92221-a\_**Draft Estoppel Certificate (HUD-91117-ORCF) 2. **92221-b\_**Draft Operating Lease with attached Addendum to Operating Lease  (HUD-91116-ORCF) 3. **92221-c\_**Draft Memorandum of Operating Lease 4. **92221-d\_**Draft Subordination (Non-Disturbance and Attornment) Agreement  (HUD-91110-ORCF) |  |  |
|  | New Master Lease (1, 4)  *As applicable, for transactions that require a new master lease to include the subject project.*   1. **THIS LINE INTENTIONALLY LEFT BLANK** 2. **92222-b\_**Master Lease, with attached Master Lease Addendum (HUD-92211-ORCF) 3. **92222-c\_**Cross-Default Guaranty of Subtenants (HUD-92211-ORCF) 4. **92222-d\_**Master Lease Subordination [Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF) 5. **THIS LINE INTENTIONALLY LEFT BLANK** 6. **92222-f\_**Healthcare Regulatory Agreement – Master Tenant (HUD-92337-ORCF) 7. **92222-g\_**Master Tenant Estoppel Certificate (HUD-92339-ORCF) 8. **92222-h\_**Master Tenant Security Agreement (HUD-92340-ORCF) 9. **92222-i\_**Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 10. **92222-j\_**Memorandum of Master Lease 11. **92222-k\_**Master TenantUCC Financing Statement (County) 12. **92222-l\_** Master TenantUCC Financing Statement (State) |  |  |
|  | Modification of Existing Master Lease (1, 4)  *As applicable, for transactions that result in the subject project being added to a previously approved master lease* ***OR*** *for transactions with a change in the operator/subtenant for a project subject to an existing master lease.*   1. **THIS LINE INTENTIONALLY LEFT BLANK** 2. **92223-b\_**Draft Master Tenant Estoppel Certificate with attached existing Master Lease (HUD-92339-ORCF) 3. **92223-c\_**HUD Master Lease Addendum (HUD-92211-ORCF) 4. **92223-d\_**Draft Amendment-Joinder to Existing Master Lease 5. **92223-e\_**Existing Cross-Default Guaranty of Subtenants (HUD-92331-ORCF) 6. **92223-f\_**Draft Amendment-Joinder to Cross-Default Guaranty of Subtenants 7. **92223-g\_**Memorandum of Master Lease 8. **92223-h\_**Healthcare Regulatory Agreement – Master Tenant and-or Amendment thereto (HUD-92337-ORCF) 9. **92223-i\_**Master Tenant Security Agreement and-or Amendment thereto (HUD-92340-ORCF) 10. **92223-j\_**Master Tenant Assignment of Leases and Rents and-or Amendment thereto (HUD-92334-ORCF) 11. **92223-k\_**Master Tenant UCC-1 Financing Statements (County) 12. **92223-l\_**Master Tenant UCC-1 Financing Statements (State) 13. **92223-m\_**Master Lease Subordination [Non-Disturbance and Attornment] Agreement and-or Amendment thereto (HUD-92333-ORCF) 14. **THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Master Lease Release Documents (1, 4)  *As applicable, for transactions that result in the subject project being removed from an existing Master Lease, if that Master Lease will continue to exist after this project’s departure.*   1. **92224-a\_**Mortgagee Letter of Recommendation 2. **92224-b\_**Master Lease Analysis *(Optional worksheet available on ORCF website)* 3. **92224-c\_**Copy of Master Lease and Master Lease Addendum, including all amendments and joinders (HUD-92211-ORCF) 4. **92224-d\_**Draft Amendment to HUD Master Lease (*please see Amendment to HUD Master Lease (Partial Termination and Release) (HUD-92342-ORCF) for sample language)* 5. **92224-e\_**Copy of existing Cross Default Guaranty of Subtenants (HUD-92331-ORCF) 6. **92224-f\_**Draft Amendment to Cross-Default Guaranty of Subtenants 7. **92224-g\_**Copy of Recorded Memorandum of Master Lease 8. **92224-h\_**Draft Termination of Memorandum of Master Lease 9. **92224-i\_**Copy of Master Tenant Security Agreement (HUD-92340-ORCF) 10. **92224-j\_**Draft Termination of Master Tenant Security Agreement 11. **92224-k\_**Copy of Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 12. **92224-l\_**Draft Termination of Master Tenant Assignment of Leases and Rents 13. **92224-m\_**Copy of Recorded Master Lease Subordination [ Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF) 14. **92224-n\_**Draft Termination of Master Lease Subordination [Non-Disturbance and Attornment] Agreement 15. **92224-o\_**Copy of Recorded Healthcare Regulatory Agreement – Master Tenant (HUD-92337-ORCF) 16. **THIS LINE INTENTIONALLY LEFT BLANK** 17. **92224-q\_**Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state) 18. **92224-r\_**Draft Termination of Master Tenant UCC-1 Financing Statements (county and state) 19. **92224**-**s\_**Master Tenant Estoppel Certificate (HUD-92339-ORCF) 20. **92224-t\_**AR Lender confirmation that Master Lease Release will not be considered a default under the AR loan documents |  |  |
|  | Master Lease Termination (1, 4)  *As applicable, for transactions where the existing Master Lease is being terminated simultaneously with the CHOP.*   1. **92225-a\_**Copy of Master Lease and Master Lease Addendum, including all amendments and joinders (HUD-92211-ORCF) 2. **92225-b\_**Draft Amendment to HUD Master Lease (Partial Termination and Release (HUD-92342-ORCF) 3. **92225-c\_**Copy of Recorded Memorandum of Master Lease 4. **92225-d\_**Draft Termination of Memorandum of Master Lease 5. **92225-e\_**Copy of Cross Default Guaranty of Subtenants (HUD-92331-ORCF) 6. **92225-f\_**Draft Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF) 7. **92225-g\_**Copy of Master Tenant Security Agreement (HUD-92340-ORCF) 8. **92225-h\_**Draft Termination of Master Tenant Security Agreement 9. **92225-i\_**Copy of Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 10. **92225-j\_**Draft Termination of Master Tenant Assignment of Leases and Rents 11. **92225-k\_**Copy of Recorded Master Lease Subordination [Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF) 12. **92225-l\_**Draft Termination of Master Lease Subordination [Non-Disturbance and Attornment] Agreement 13. **92225-m\_**Copy of Recorded Healthcare Regulatory Agreement – Master Tenant 14. **THIS LINE INTENTIONALLY LEFT BLANK** 15. **92225-o\_**Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state) 16. **92225-p\_**Draft Termination of Master Tenant UCC-1 Financing Statements (county and state) 17. **92225-q\_**AR Lender confirmation that Master Lease Termination will not be considered a default under the AR loan documents |  |  |
| 25a. | Organizational Documents – Master Tenant (4)   1. **92225-aa\_**Organizational Charts *(current and proposed)* 2. **92225-bb\_**Organizational certification *(including incumbency)* 3. **92225-cc\_**Formation documents, as amended 4. **92225-dd\_**Governing documents, as amended 5. **92225-ee\_**Authorizing resolution 6. **92225-ff\_**Status certificates |  |  |
| 25b. | Organizational Documents –Master Tenant Principals (4)   1. **92225-gg\_**Organizational Charts *(current and proposed)* 2. **92225-hh\_**Organizational certification *(including incumbency)* 3. **92225-ii\_**Formation documents, as amended 4. **92225-jj\_**Governing documents, as amended 5. **92225-kk\_**Authorizing resolution 6. **92225-ll\_**Status certificates |  |  |
|  | Accounts Receivable (AR) Financing Documents (4)  *Applicable for new AR Financing and Modification of AR Financing. If the project is also being removed from or added to a Master Lease, the Intercreditor must be amended to revise references to the Master Tenant/Master Lease.*   1. **92226-a\_**Accounts Receivable Financing Certification (HUD-90020-ORCF) 2. **92226-b\_**Draft Intercreditor Agreement (Redlined Version) (HUD-92322-ORCF) 3. **92226-c\_**Cash flow chart, as attached to the Operator Security Agreement (HUD-92323-ORCF) 4. **92226-d\_**AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges 5. **92226-e\_**AR Loan Note(s) 6. **92226-f\_**All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and-or blocked account agreements in favor of the AR Lender 7. **92226-g\_**All guaranties, pledges and-or other side agreements in favor of the AR Lender 8. **92226-h**\_Accounts Receivable Financing Terms Memo *(optional supplement)* |  |  |
| 26a. | Accounts Receivable (AR) Modification Documents (4)  *Applicable to Modification of AR Financing.*   1. **92226-aa\_**Lender Narrative for AR Modification 2. **92226-bb\_**Cover Letter 3. **92226-cc\_**Facilities on AR Line 4. **92226-dd\_**UCC Searches for Operator 5. **92226-ee\_**Covenant Compliance Statement from AR Lender |  |  |
| 27. | Secondary Financing Documents *(as applicable)* (1)   1. **92227-a\_**Secondary financing documents *(as amended by HUD’s Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing)* 2. **92227-b\_**Promissory Note (s) 3. **92227-c\_**Residual Receipts Note (HUD 91710-ORCF) *(to be submitted for each unsecured promissory note when Borrower is a non-profit entity)* 4. **92227-d\_**Surplus Cash Note (HUD-92223-ORCF) *(to be submitted for each unsecured promissory note when Borrower is a for-profit entity)* 5. **92227-e\_**Subordination Agreement (HUD-92420-ORCF) *(to be submitted if a governmental source is providing secured, secondary financing)* |  |  |
|  | Commercial Space Leases *(as applicable)* (1)   1. **92228-a\_**Estoppel Certificate 2. **92228-b\_**Commercial Lease **[OR]** Assignment-Assumption of Commercial Lease 3. **92228-c\_**Subordination Agreement |  |  |
|  | Previous Participation Certification for Borrower, Master Tenant, Operator, Management Agent, and all Controlling Participants *(as applicable)* (1,2,3\*,4,5)  *See Housing Notice 2016-15 for additional guidance on the Previous Participation Certification. \* Only if TIN is changing.*   1. **92229-a\_THIS LINE INTENTIONALLY LEFT BLANK** 2. **92229-b\_**Active Partners Performance System (APPS) Submittal- Previous Participation Certification via the Active Partners Performance System (APPS). Include a copy of the signature pages in the application   **{OR}**   1. **92229-c**\_Previous Participation Certification (HUD-90021-ORCF)   **{OR}**   1. **92229-d**\_Completed Consolidated Certifications are being submitted under tab 44 |  |  |
| 1. **~~-~~** | **92230-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92231-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92232-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92233-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Credit reports for New Borrower and Principals *(or new principals of an existing Borrower)* (1,2)   1. **92234-a\_**New Borrower 2. **92234-b\_**Principal of Borrower *If a principal is a business entity (i.e., corporation, partnership) with an operating history, a credit report is required only on the business firm, not the owners of the firm.* 3. **92234-c\_**Sampling of Principal’s Other Business Concerns *(Credit reports from 10% of the entities listed on the attached Consolidated Certification)* |  |  |
|  | Organizational Documents – New Operator *(as applicable)* (4)  *For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust*   1. **92235-a\_**Organizational Charts *(current and proposed)* 2. **92235-b\_**Organizational certification *(including incumbency)* 3. **92235-c\_**Formation documents, as amended 4. **92235-d\_**Governing documents, as amended 5. **92235-e\_**Authorizing resolution 6. **92235-f\_**Status certificates |  |  |
|  | Organizational Documents – New Parent of the Operator *(as applicable)* (4)  *For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust*   1. **92236-a\_**Organizational Charts *(current and proposed)* 2. **92236-b\_**Organizational certification *(including incumbency)* 3. **92236-c\_**Formation documents, as amended 4. **92236-d\_**Governing documents, as amended 5. **92236-e\_**Authorizing resolution 6. **92236-f\_**Status certificates |  |  |
|  | **92237-a\_**Draft Operator’s Regulatory Agreement (HUD-92466A-ORCF) (4)  *If the project is also being removed from or added to a Master Lease, the existing Operator’s Regulatory Agreement, if dated prior to June 2019, must be amended to revise all references to the Master Tenant/Lease.* |  |  |
|  | **THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Credit reports for New Operator Entity and New Parent of the Operator *(as applicable)* (4)   1. **92239-a\_**Credit reports for New Operator Entity and New Parent of the Operator 2. **92239-b\_**Sampling of Other Business Concerns of New Operator (Credit reports from 10% of the entities listed on the attached Consolidated Certification) 3. **92239-c\_**Sampling of Other Business Concerns of New Parent of the Operator (Credit reports from 10% of the entities listed on the attached Consolidated Certification) |  |  |
|  | **92240-a\_**Sources and uses of funds statement (1) |  |  |
|  | **92241-a\_**Pro forma balance sheet of New Borrower (1) |  |  |
|  | **92242-a\_**Lender’s statement of escrow and reserve accounts (1) |  |  |
|  | **92243-a\_**Project Capital Needs Assessment (PCNA) (1,2)  *Provide if 10 years or more since last PCNA.* |  |  |
|  | **92244-a\_**Consolidated Certifications (HUD-90013-ORCF through HUD-90017~~-~~ORCF) *(as applicable)* (1,2,3\*,4,5)  *Please include overall star ratings for every facility listed and any star rating category two (2) or below. \* Only if TIN is changing.* |  |  |
|  | **92245-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92246-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **92247-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Management Agent Documents (5)   1. **92248-a\_**Management Agent Certification (HUD-9839-ORCF) 2. **92248-b\_**INTENTIONALLY LEFT BLANK 3. **92248-c\_**Management Agent Agreement 4. **92248-d\_**Management Agreement Addendum (HUD-92071-ORCF) |  |  |
|  | Financial Detail of Existing Operator (4)   1. **92249-a\_**Aging of Accounts Receivable 2. **92249-b\_**Aging of Accounts Payable |  |  |
|  | **92250-a\_**Evidence that the Affirmative Fair Housing Marketing Plan (AFHMP) has been reviewed and is current (HUD-935.2D-ORCF) (1,2,3,4)  *Applicable if AFHMP was required during the firm application process of the existing loan*  ***Please note*** *HUD requires a Borrower to review a project’s AFHMP every five (5) years for projects where AFHMP was required during the firm application process of the existing loan.* |  |  |
|  | **92251-a\_**State Regulatory Agency-Centers for Medicare & Medicaid Services (CMS) (4)  *Please provide statement listing any unresolved issues with state regulatory agency/CMS for all HUD-insured and non-insured facilities operated by incoming Controlling Participants (entities or individuals).* |  |  |
| 51a. | **92251-aa\_**Redlined Escrow Agreement for Debt Service Reserve (HUD-92476C-ORCF) (1,4)  *ORCF may require if property is not performing financially or if there are issues with quality of care.* |  |  |

**Final Approval Process**

The applicant must provide the following items for final approval:

| **No.** | **Item** | **Incl.** | **N/A** |
| --- | --- | --- | --- |
|  | **92252-a\_Recorded** Assumption of Security Instrument (1)  *As applicable, if New Borrower is assuming the Security Instrument.* |  |  |
|  | **92253-a\_THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **Recorded** Regulatory Agreements   * 1. **92254-a\_Recorded** Operator’s Regulatory Agreement HUD-92466A-ORCF (4)   2. **92254-b\_Recorded** Assumption of Existing Borrower Regulatory Agreement **[or]** New Borrower Regulatory Agreement (HUD-92466-ORCF) (1) |  |  |
|  | **Executed** Operating Lease (or Sublease) (1,4)   1. **92255-a\_**Estoppel Certificate (HUD-91117-ORCF) 2. **92255-b\_** Operating Lease with attached Addendum to Operating Lease  (HUD-91116-ORCF) 3. **92255-c\_Recorded** Memorandum of Operating Lease 4. **92255-d\_Recorded** Subordination (Non-Disturbance and Attornment) Agreement (HUD-91110-ORCF) |  |  |
|  | **92256-a\_**Copy of License with Name of New Operator Entity (1,3,4,5) |  |  |
|  | **Executed** New Master Lease (1,4)  *As applicable, for transactions that require a new master lease to include the subject project.*   1. **THIS LINE INTENTIONALLY LEFT BLANK** 2. **92257-b\_Executed** Master Lease, with attached Master Lease Addendum (HUD-92211-ORCF) 3. **92257-c\_Executed** Cross-Default Guaranty of Subtenants (HUD-92331-ORCF) 4. **92257-d\_Recorded** Master Lease Subordination [, Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF) 5. **THIS LINE INTENTIONALLY LEFT BLANK** 6. **92257-f\_Recorded** Healthcare Regulatory Agreement – Master Tenant (HUD-92337-ORCF) 7. **92257-g\_Executed** Master Tenant Estoppel Certificate (HUD-92339-ORCF) 8. **92257-h\_Executed** Master Tenant Security Agreement (HUD-92340-ORCF) 9. **92257-i\_Recorded** Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 10. **92257-j\_Recorded** Memorandum of Master Lease 11. **92257-k\_Recorded** UCC Financing Statement (County) 12. **92257-l\_Filed** UCC Financing Statement (State) |  |  |
|  | **Executed** Master Lease Release Documents (1,4)  *As applicable, for transactions that result in the subject project being removed from an existing Master Lease, if that Master Lease will continue to exist after this project’s departure.*   1. **92258-a\_Executed** Amendment to HUD Master Lease **(**HUD-92342-ORCF) 2. **92258-b\_Executed** Amendment to Cross-Default Guaranty of Subtenants (HUD-92341-ORCF) 3. **92258-c\_Recorded** Termination of Memorandum of Master Lease 4. **92258-d\_Executed** Termination of Master Tenant Security Agreement 5. **92258-e\_Recorded** Termination of Master Tenant Assignment of Leases and Rents 6. **92258-f\_Recorded** Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 7. **THIS LINE INTENTIONALLY LEFT BLANK** 8. **92258-h\_Recorded** Termination of Master Tenant UCC-1 Financing Statements 9. **92258-i\_Executed** Master Tenant Estoppel Certificate (HUD-92339-ORCF) |  |  |
|  | Modification of Existing Master Lease (1,4)  *As applicable, for transactions that result in the subject project being added to a previously approved master lease* ***[OR]*** *for transactions with a change in the operator/subtenant for a project subject to an existing master lease.*   1. **92259-a\_**Organizational Chart of Master Tenant 2. **92259-b\_Executed** Master Tenant Estoppel Certificate with attached existing Master Lease (HUD-92339-ORCF) 3. **92259-c\_**HUD Master Lease Addendum (HUD-92211-ORCF) 4. **92259-d\_Executed** Joinder to Existing Master Lease 5. **92259-e\_**Existing Cross-Default Guaranty of Subtenants (HUD-92331-ORCF) 6. **92259-f\_Executed** Amendment-Joinder to Cross-Default Guaranty of Subtenants 7. **92259-g\_Recorded** Memorandum of Master Lease 8. **92259-h\_Recorded** Healthcare Regulatory Agreement – Master Tenant and-or Amendment thereto (HUD-92337-ORCF) 9. **92259-i\_Executed** Master Tenant Security Agreement or Amendment thereto (HUD-92340-ORCF) 10. **92259-j\_Recorded** Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) 11. **92259-k\_Recorded** Master Tenant UCC-1 Financing Statements (County and State) 12. **92259-l\_Recorded** Master Lease Subordination [, Non-Disturbance and Attornment] Agreement or Amendment thereto (HUD-92333-ORCF) 13. **THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | Master Lease Termination (1,4)  *As applicable, for transactions where the existing Master Lease is being terminated simultaneously with the CHOP.*   1. **92260-a\_Executed** Amendment to HUD Master Lease (Partial Termination and Release) (HUD-92342-ORCF) 2. **92260-b\_Recorded** Termination of Memorandum of Master Lease 3. **92260-c\_Executed** Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF) 4. **92260-d\_Executed** Termination of Master Tenant Security Agreement 5. **92260-e\_Executed** Termination of Master Tenant Assignment of Leases and Rents 6. **92260-f\_Recorded** Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement 7. **THIS LINE INTENTIONALLY LEFT BLANK** 8. **92260-h\_Recorded** Termination of Master Tenant UCC-1 Financing Statements (County and State) |  |  |
| 60a. | **Executed** Organizational Documents – Master Tenant (4)   1. **92260-aa\_**Organizational Charts *(current and proposed)* 2. **92260-bb\_**Organizational certification 3. **92260-cc\_**Formation documents, as amended 4. **92260-dd\_**Governing documents, as amended 5. **92260-ee\_**Authorizing resolution 6. **92260-ff\_**Status certificates |  |  |
| 60b. | **Executed** Organizational Documents – Master Tenant Principals (4)   1. **92260-gg\_**Organizational Charts *(current and proposed)* 2. **92260-hh\_**Organizational certification 3. **92260-ii\_**Formation documents, as amended 4. **92260-jj\_**Governing documents, as amended 5. **92260-kk\_**Authorizing resolution 6. **92260-ll\_**Status certificates |  |  |
|  | **Executed** Secondary Financing Documents *(as applicable)* (1)   1. **92261-a\_ Recorded** Secondary financing documents *(as amended by HUD’s Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing)* 2. **92261-b\_**Promissory Note(s) 3. **92261-c\_**Residual Receipts Note (HUD 91710-ORCF) *(to be submitted for each unsecured promissory note when Borrower is a non-profit entity)* 4. **92261-d\_**Surplus Cash Note (HUD-92223-ORCF) *(to be submitted for each unsecured promissory note when Borrower is a for-profit entity)* 5. **92261-e\_Recorded** Subordination Agreement (HUD-92420-ORCF) *(to be submitted if a governmental source is providing secured, secondary financing)* |  |  |
|  | **92262-a\_Recorded** Deed *(if applicable)* (1) |  |  |
|  | New Operator’s **Executed** Security Agreement (1,4)   1. **92263-a\_**New Operator’s Security Agreement 2. **92263-b\_Recorded** UCC Financing Statement (County) 3. **92263-c\_Filed** UCC Financing Statement (State) 4. **92263-d\_Recorded** Operator Assignment of Rents and Leases |  |  |
|  | Evidence of Title Insurance *(as applicable)* (1,3)   1. **92264-a\_**Date Down Title Endorsement   **[OR]**   1. **92264-b\_**ALTA Loan Title Insurance Policy   **[AND]**   1. 9**2264-c\_**Title Agent Letter of Authority |  |  |
|  | **Executed** Deposit Control Agreement(s) (4)   1. **92265-a\_**Deposit Account Control Agreement (DACA) 2. **92265-b\_**Deposit Account Instructions and Services Agreement (DAISA) *(if applicable)* |  |  |
|  | **Executed** Accounts Receivable (AR) Financing Documents *(as applicable)* (4)   1. **92266-a\_**Accounts Receivable Financing Certification (HUD-90020-ORCF) 2. **92266-b\_**Executed Intercreditor Agreement (HUD-92322-ORCF) 3. **92266-c\_**Cash flow chart, as attached to the Operator Security Agreement (HUD-92323-ORCF) 4. **92266-d\_**AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges 5. **92266-e\_**AR Loan Note(s) 6. **92266-f\_**All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and-or blocked account agreements in favor of the AR Lender 7. **92266-g\_**All guaranties, pledges and-or other side agreements in favor of the AR Lender |  |  |
|  | **Executed** Attorney’s Opinion(s)     1. **THIS LINE INTENTIONALLY LEFT BLANK** 2. **92267-b\_**Opinion of Borrower’s Counsel (HUD-91725-ORCF) (1) 3. **92267-c\_**Opinion of Operator’s Counsel (HUD-92325-ORCF) (4) 4. **92267**-**d**\_Opinion of Master Tenant’s Counsel (HUD-92335-ORCF) (4) 5. **92267-e\_**Attorney Certification on Execution and Recordation (1,2,3,4,5) |  |  |
|  | **92268-a\_Executed** Bill of Sale and Assignment (HUD-92228-ORCF) (1,2) |  |  |
|  | **Final** Organizational Documents – Borrower (1,2,3)   1. **92269-a\_**Organizational Charts *(current and proposed)* 2. **92269-b\_**Organizational certification 3. **92269-c\_**Formation documents, as amended 4. **92269-d\_**Governing documents, as amended 5. **92269-e\_**Authorizing resolution 6. **92269-f\_**Status certificates   Principal of Borrower’s Organizational Documents (2)  *Provide for any entity in Borrower’s signature block. For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust*   1. **92269-aa\_**Organizational Charts *(current and proposed)* 2. **92269-bb\_**Organizational certification 3. **92269-cc\_**Formation documents, as amended 4. **92269-dd\_**Governing documents, as amended 5. **92269-ee\_**Authorizing resolution 6. **92269-ff\_**Status certificates |  |  |
|  | **Executed** Organizational Documents – New Operator *(as applicable)* (4)  *For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust*   1. **92270-a**\_Organizational Charts *(current and proposed)* 2. **92270-b\_**Organizational certification 3. **92270-c\_**Formation documents, as amended 4. **92270-d\_**Governing documents, as amended 5. **92270-e\_**Authorizing resolution 6. **92270-f\_**Status certificates |  |  |
|  | **Executed** Organizational Documents – New Parent of the Operator *(as applicable)* (4)  *For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust*   1. **92271-a\_**Organizational Charts *(current and proposed)* 2. **92271-b\_**Organizational certification 3. **92271-c\_**Formation documents, as amended 4. **92271-d\_**Governing documents, as amended 5. **92271-e\_**Authorizing resolution 6. **92271-f\_**Status certificates |  |  |
|  | **THIS LINE INTENTIONALLY LEFT BLANK** |  |  |
|  | **Executed** Management Agent Documents (5)   1. **THIS LINE INTENTIONALLY LEFT BLANK** 2. **92273-b\_**Consolidated Certification – Management Agent (HUD-90017-ORCF) 3. **92273-c\_**Management Agent Agreement 4. **92273-d\_**Management Agreement Addendum (HUD-92071-ORCF) |  |  |
|  | **Executed** Commercial Space Lease (1)   1. **92274-a\_**Estoppel Certificate 2. **92274-b**\_Commercial Lease **[OR]** Assignment and Assumption of Commercial Lease 3. **92274-c\_**Subordination Agreement |  |  |
|  | **92275-a\_Executed** Escrow Agreement for Debt Service Reserve, (HUD-92476C-ORCF) (if applicable) (1,4)  *ORCF may require if property is not performing financially or if there are issues with quality of care.* |  |  |