



GRRP “How To” Series for Awardees:

How to Close a GRRP Elements Award

Presented by:

HUD’s Office of Recapitalization

Liane Houseknecht Contractor)
Ally Jevens (Contractor)

April 2, 2024



Housekeeping



RECORDING

- Webinar is being recorded
- Will be posted to the GRRP YouTube channel in 1-2 weeks



QUESTIONS

- Please remain on mute during the webinar
- If you submitted a question when you registered, we will answer it at the end
- Please hold new questions to the end
- If we run out of time, email your GLS or grrp@hud.gov

Agenda

Overview of the Elements Award

Your HUD GRRP Closing Team



Elements Award Closing Process



Key Documents

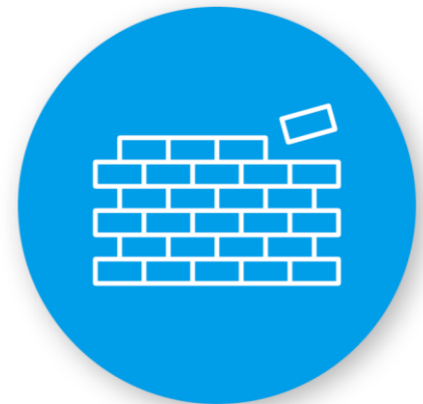


Tips for a Smooth Closing



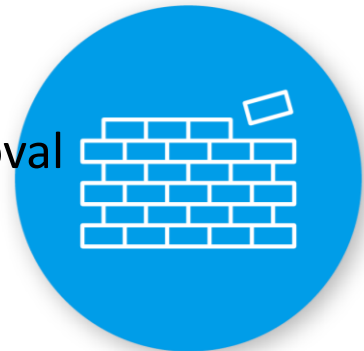
Elements Award Refresh

- ❑ Designed to enhance efficiency and climate resilience in Owner-driven recapitalization event
- ❑ Owners selected Eligible Elements Investments from prescribed list in NOFO
- ❑ Modest awards (\$750,000 max) in the form of a grant or surplus cash loan
- ❑ Award goes straight to “closing” process – meant to be able to move fast



What is a GRRP Elements Award Closing?

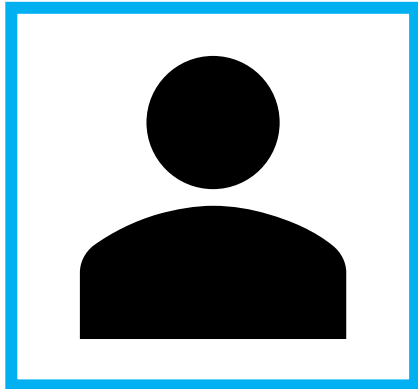
- GRRP Award Closing will be concurrent with the closing of other financing (typically)
- Execution of the GRRP Closing Documents and recording of the GRRP Use Agreement
 - Each cohort has its own closing checklist / list of required documents.
 - Latest version of checklist available on hud.gov/grrp and from your GLS
- No GRRP award money is disbursed at the closing
 - Draw request process based on draw schedule submitted with draft closing package
 - First draw request can be submitted ~30 days after closing (upon receipt and HUD approval of Final Closing Docket)



Elements Award Closing: Your HUD GRRP Team



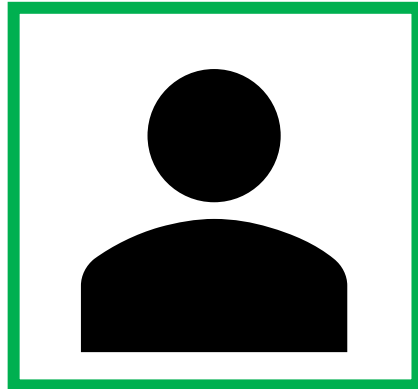
**HUD's Office of
Recapitalization**



**GRRP "Grant and Loan
Specialist" or "GLS"**

Your Primary Point of
Contact & HUD coordinator
for all things GRRP!

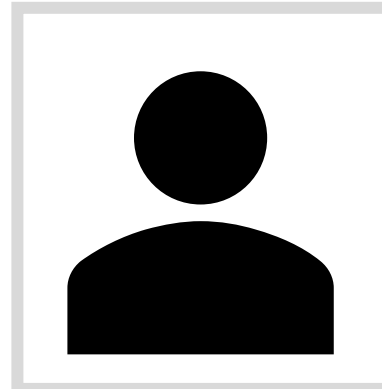
**HUD's Office of
General Counsel**



HUD Field Counsel

Performs the legal
review of your draft
closing package

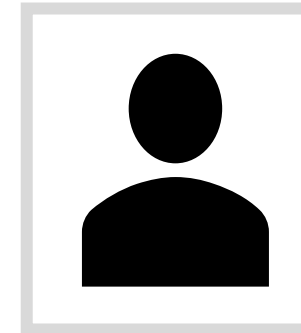
**HUD's local
Multifamily Field
Office**



**Assigned HUD Account
Executive**

If applicable: Performs
concurrent
reviews/approvals required
as part of larger
recapitalization event

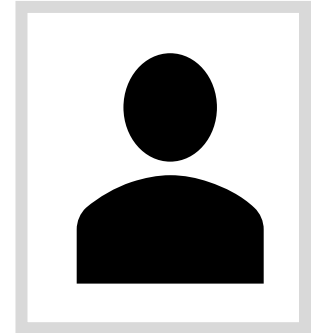
*HUD's Office
of
Production*



*FHA Underwriter and
FHA Closing
Coordinator*

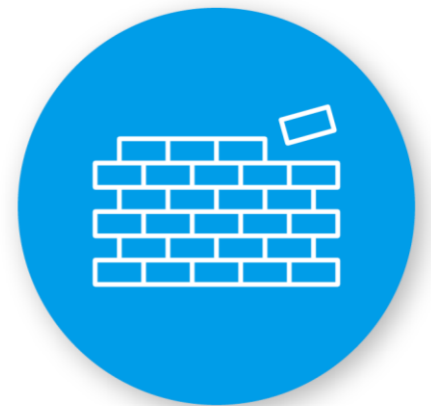
*If applicable: Performs
concurrent FHA review
+ closing*

*Other HUD
Offices?*

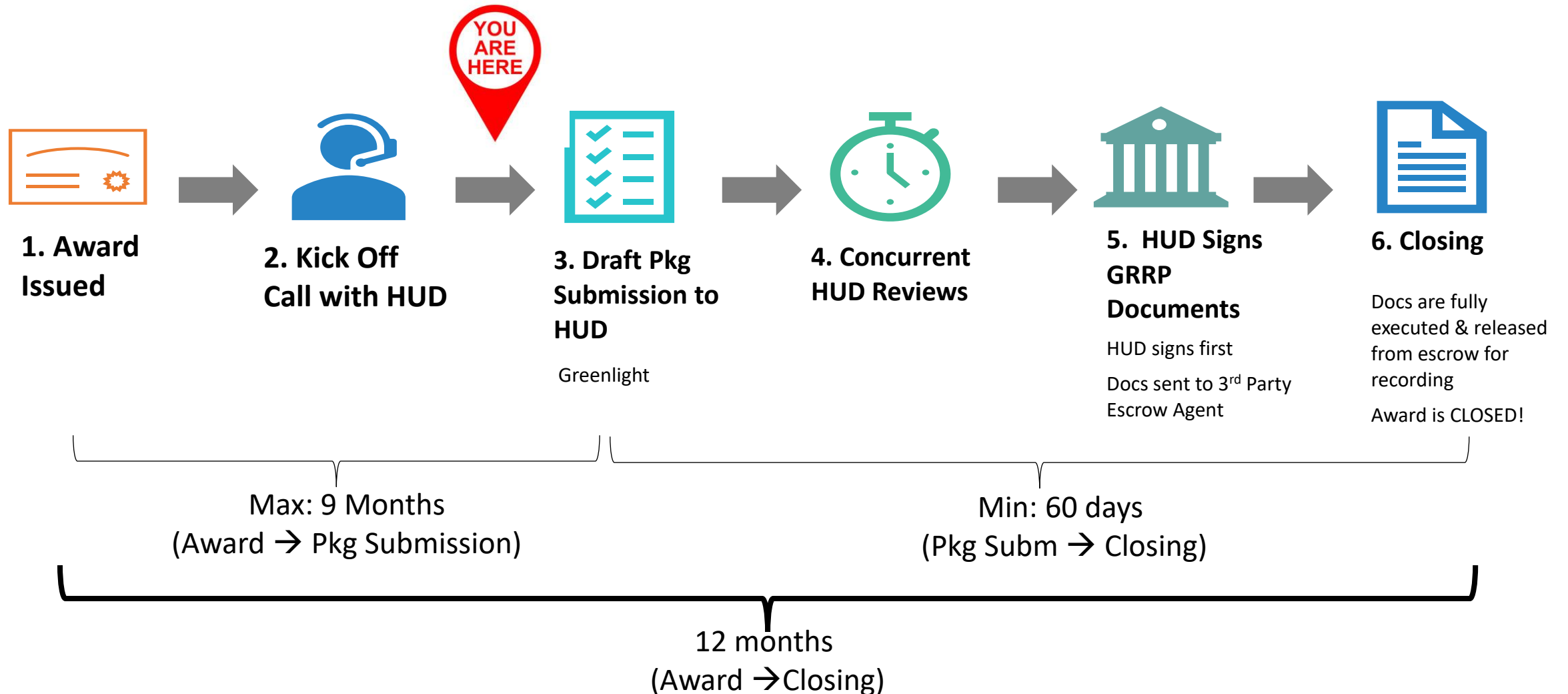


*Depending on your
recapitalization event,
other HUD offices might
be involved /
coordinated with*

Elements Award Closing Process: Step by Step



GRRP Elements Award Closing Process



Step 1: Award Issued

- Countersign your award letter within 30 days of issuance
- Page 1 of Award letter shows the name & contact information of your assigned GLS
- Issue the Resident Notification of Award within 30 days of issuance
- If you haven't held a resident meeting about the recapitalization event within the preceding 6 months, conduct a resident meeting
- Login to Greenlight

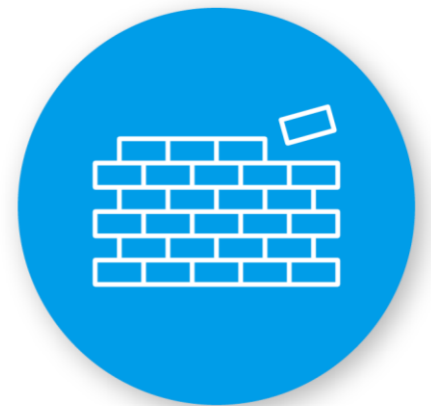
More information on Resident Engagement: See Section 8 of the GRRP Notice

More information on Greenlight: www.hud.gov/grrp > “How to Use Greenlight for Elements Awardees” webinar recording



Step 2: GRRP Award Kick Off Call

- ❑ Attend the “Kick Off Call” with your GLS and other HUD parties
 - ❑ Your GLS will invite your assigned HUD Multifamily Account Executive from your local field office
 - ❑ If your recapitalization event involves other HUD offices, such as FHA/Production, let your GLS know so other HUD parties can be included
- ❑ Come prepared with questions and information on your desired closing timeline and any financing deadlines that are driving closing



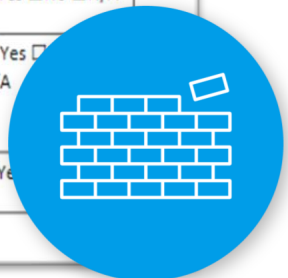
Step 3: Draft Closing Package Submission



- Review Elements Closing Checklist and prepare the documents
- Not all documents will apply to every Awardee; note Grant v. Loan
- Download copies of draft HUD forms and templates from www.hud.gov/grrp > Elements web page > scroll to “GRRP Closing Documents” section

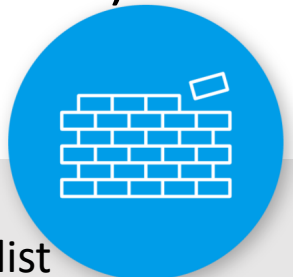
Closing Checklist: Elements Award

No.	Document Name	Additional Information/Instructions	Included?
<i>Return the fully executed commitment letter electronically to HUD within 30-days of Award:</i>			
1	Elements Award Commitment Letter	Fully executed version with all attachments must be returned to HUD electronically within 30 days of the Award Date, unless otherwise extended by HUD.	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>The remaining draft closing package documents should be submitted to HUD no later than 9 months following the Award and at least 60 days in advance of the desired closing date:</i>			
2	Closing Contact List	Provide names and contact information for parties that will be involved in the GRRP closing process. This should also include contact information for a third party who will be serving as the escrow agent for purposes of the GRRP closing.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	Proposed assignment of the Elements Award Commitment Letter (if applicable)	If the awardee is proposing to assign the fully executed Elements Award Commitment letter to a different entity as part of the GRRP award closing process, include a draft assignment.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4	GRRP Use Agreement	Use HUD-provided form	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Agreement(s) to Subordinate to the GRRP Use Agreement	Required for all existing or proposed financing liens. HUD-provided template available.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6	GRRP Grant Agreement OR GRRP Surplus Cash Loan Agreement	Use HUD-provided form.	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	<u>Surplus Cash Loans only:</u> GRRP Mortgage & Security Instrument	Use HUD-provided form. State-specific provisions and/or addenda may be required.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8	<u>Surplus Cash Loans only:</u> GRRP Surplus Cash Note	Use HUD-provided form.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
9	<u>Surplus Cash Loans only:</u> Uniform Commercial Code (UCC) Financing Statements (State & County)		<input type="checkbox"/> Yes <input type="checkbox"/> N/A
10	Evidence of Title (Deed or Ground Lease)		<input type="checkbox"/> Yes



Step 3: Draft Closing Package Submission

- ❑ Be mindful of items requiring longer lead times:
 - ✓ Environmental Review submission in HEROS (required) & satisfaction of any required mitigations before closing
 - ✓ Local HUD Multifamily Field Office approvals related to larger recapitalization action (if applicable). Examples:
 - 2530s/APPS for new Owner or Management Agent
 - Bifurcations
 - Transfer of Physical Asset (TPA)
 - Pass Through leases
 - ✓ Professional utility study if requesting GRRP Shared Savings Retainer (if applicable)



Step 3: Draft Closing Package Submission

- ❑ In addition to uploading the required documents, there are two Greenlight tabs you must complete:
 - ✓ Input the project's final Sources & Uses
 - ✓ Input the project's operating pro forma
- ❑ Your GLS will review the S&U and Operating Proforma against the GRRP Notice Financial Thresholds to ensure compliance
 - Be prepared to explain any significant changes between GRRP Application & the Greenlight submission



Step 3: Draft Closing Package Submission

In addition to the “Document Uploader” – complete these tabs:

Step Name: Submit Initial Closing Documentation Responsible Party: Property Representative Max Days to Complete: 86 Due Date: 1/31/2024

Document Uploader

Sources Entry Form

Uses Entry Form

Base Year Operating Pro Forma Entry Form

OGC Approval Memo

Finalize

Enter Uses information. Entries will automatically save. Select "Submit Excel for HUD Review" to submit a finalized copy to HUD for review. Once submitted, you will not be able to make edits unless you withdraw your submission on the Document Uploader or HUD returns for corrections. You can view your document on the appropriate row on the Document Uploader or in the Full Document List.

[Submit Excel for HUD Review](#)

Sources Total:

Use Type	Total
Acquisition Costs:	\$
Developer Fees:	\$
Hard Costs:	\$
Relocation Costs:	\$

Uses Total:

Use Subgroup	Amount
Acquisition Land and Buildings:	\$ <input style="width: 80px;" type="text"/>
Payoff Existing Loans and Payables:	\$
Other Acquisition Costs:	\$

Step 3: Draft Closing Package Submission

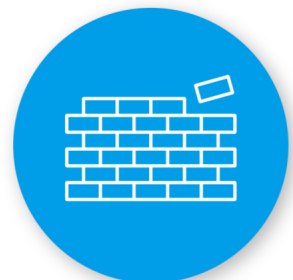
Mark your draft package as ready for HUD review by clicking 'Complete' on the Finalize tab in Greenlight!

Step Name: Submit Initial Closing Documentation		Responsible Party: Property Representative		Max Days to Complete: 86		Due Date: 1/31/2024	
Document Uploader	Sources Entry Form	Uses Entry Form	Base Year Operating Pro Forma Entry Form	OGC Approval Memo	Finalize		
	Property Representative: Submit required documentation. Mark when complete. Select Complete Step. You may use the Save buttons if you want to save your in-progress submission.						<input type="checkbox"/> Complete

Step 4: Concurrent HUD Reviews

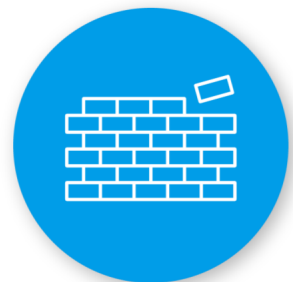


- ❑ Allow for at least 60 days between draft package submission and desired closing date
- ❑ Concurrent HUD reviews of draft closing package submission
 - Program review conducted by GLS
 - Legal review conducted by HUD field counsel
 - IF APPLICABLE: Other HUD Multifamily Approval submissions should be progressing toward approval at this time
- ❑ Be responsive to GLS and HUD field counsel comments / questions and submit revised documents via Greenlight as needed
- ❑ Multiple rounds of back & forth until all documents are in final form



Step 5: GRRP Document Signing

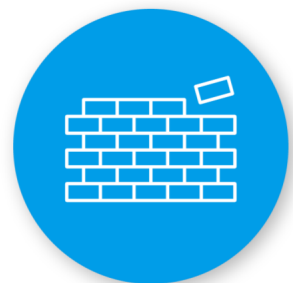
- Occurs once Program (GLS) and Legal (HUD field counsel) reviews are finalized and all docs are in final form
- HUD signs first
- HUD will execute, notarize & mail:
 - GRRP Use Agreement → FedEx → Owner Identified Third Party Escrow Agent
- HUD will electronically sign & email to Third Party Escrow Agent:
 - GRRP Grant or Loan Agreement
 - HAP Addendum for Financial Reporting
 - HAP Addendum for GRRP Shared Savings Retainer (if applicable)
 - Assignment & Assumption of Award Letter (if applicable)
 - GRRP Closing Escrow Instructions Letter



Step 6: Closing



- Must occur within 12 months of award date
- Typically, GRRP Award Closing would happen in conjunction with larger recapitalization financial closing
- All GRRP Documents are held by third party escrow agent until all signatures have been collected & all conditions of HUD's GRRP Closing Escrow Letter have been satisfied
- Once closing has occurred, notify GLS via email



Immediate Post-Closing Steps



**1. Upload “3 Day Docs” to
Greenlight**



**2. Mail original, executed
GRRP Note to HUD
(Surplus Cash awardees only)**



**3. Submit Final Closing
Docket to Greenlight**

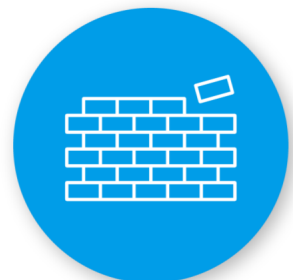


More information on these post-closing steps can be found on the last page of the Elements Closing Checklist

Immediate Post-Closing Steps

1) Upload “3 Day Docs” to Greenlight

- Within 3 days of closing
- Documents identified in your GRRP Closing Escrow Instructions letter
 - Fully executed, recorded GRRP Use Agreement (upload once available – we realize some localities take longer than 3 days)
 - Fully executed GRRP Grant or Loan Agreement with all exhibits
 - Fully executed HAP Addendums (Financial Reporting & Shared Savings Retainer, as applicable)
 - Fully executed GRRP Surplus Cash Note (Loans only)
 - Fully executed, recorded GRRP Surplus Cash Mortgage (Loans only)



Immediate Post-Closing Steps

2) Mail a copy of the original, executed note to HUD (Surplus Cash awardees only)

U.S. Department of Housing & Urban Development

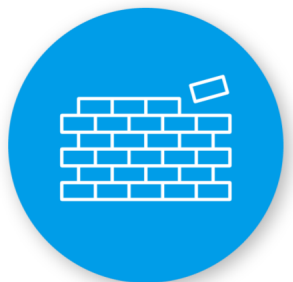
ATTN: Roger St. Paul

451 7th Street, SW

Room 6230

Washington, DC 20410

➤ HUD will confirm receipt via email.

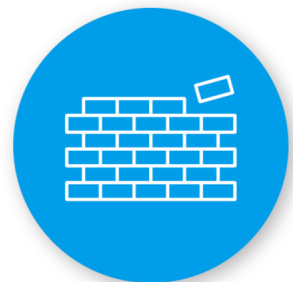


Immediate Post-Closing Steps

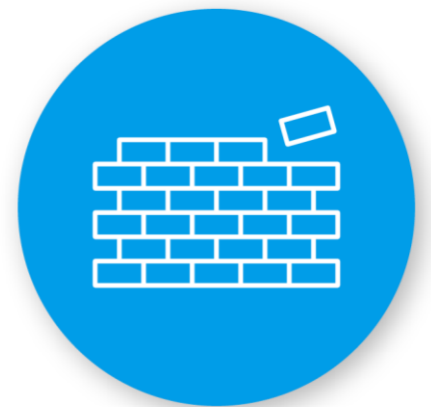


3) Upload the Final Closing Docket to Greenlight

- Upload copies of all final, fully executed documents to Greenlight (“Final Closing Docket” submission)
- Due within 30 days of closing
- Final, executed, recorded (where applicable) versions of all documents submitted with the draft closing package
- Final Closing Docket must be submitted and “accepted” by HUD prior to first draw request



Elements Award Closing: Key Documents



GRRP Elements HUD Forms + Templates

- Visit <https://www.hud.gov/GRRP/elements>
- HUD Forms are still going through PRA Process and thus are subject to change
- Check date on web page & version date in document footers to make sure you have the latest version

GRRP Closing Documents

[Elements: Surplus Cash Loan Agreement \(3/14/2024\)](#)
[Elements: Surplus Cash Mortgage Agreement \(3/14/2024\)](#)
[Elements: Surplus Cash Note \(3/14/2024\)](#)
[Elements: Grant Agreement \(3/14/2024\)](#)
[Elements: Closing Checklist \(3/14/2024\)](#)
[Elements: Consolidated Owner Certification Checklist \(3/11/2024\)](#)
[All Cohorts: GRRP Certification and Assurances \(3/11/2024\)](#)
[All Cohorts: Consent from existing lenders/lien holders for property to participate in GRRP \(3/11/2024\)](#)
[All Cohorts: Addendum to Project-Based Housing Assistance Payments Contract for GRRP \(3/11/2024\)](#)
[All Cohorts: Owner's Counsel Opinion \(3/12/2024\)](#)
[All Cohorts: Agreement to Subordinate to GRRP Use Agreements \(3/11/2024\)](#)
[All Cohorts: GRRP Use Agreement \(3/11/2024\)](#)

- Most closing documents on the closing checklist are produced by the Owner / Outside Counsel and are not HUD forms/templates

GRRP Use Agreement (HUD Form)



OMB Approval XXXX-XXXX
(Exp. X/XX/XXXX)

PROJECT NAME:
PROJECT LOCATION:
IREMS NUMBER:
GRRP AWARD NUMBER:

GREEN AND RESILIENT RETROFIT PROGRAM USE AGREEMENT

THIS USE AGREEMENT (this "Agreement") is made, as of _____, by and between _____, a _____ {limited/general partnership/corporation} (the "Owner"), and the United States Department of Housing and Urban Development, acting by and through the Secretary, his or her successors, assigns or designates (hereinafter called "HUD" or "Secretary").

RECITALS:

A. WHEREAS, the Owner is the [fee owner of *OR* holder of a leasehold interest in] that certain real property located in the {City/Town/Village} of _____, in the County of _____, in the {State/Commonwealth} of _____, as more particularly described in Exhibit A (the "Real Property"), upon which is located improvements commonly known as _____ (the "Project") and, together with the Real Property (the "Property"). The Project contains [] dwelling units, of which [] dwelling units (the "Assisted Units") are subject to an Assistance Contract (as defined below), as the same may be renewed, amended or replaced from time to time.

B. [Option 1] [PBRA HAP] WHEREAS, the Property receives project-based Housing Assistance Payments through Section 8 Contract No. _____ entered into by the Owner, or a predecessor in interest, for _____ units, dated _____, under Section 8 of the United States Housing Act of 1937, 42 U.S.C. § 1437f (the "Assistance Contract").


B. [Option 2][811 PRAC] WHEREAS, The Property receives project-based Project Rental Assistance Payments through No. _____ entered into by the Owner, or a predecessor in interest, for _____ units, dated _____, under 42 U.S.C. § 8013(d)(2) (the "Assistance Contract").

B. [Option 3][202 PRAC] WHEREAS, the Property receives project-based Project Rental Assistance Payments through No. _____ entered into by the Owner, or a predecessor in interest, for _____ units, dated _____, under 12 U.S.C. § 1701q(c)(2) (the "Assistance Contract").

- **When is it required?** Always
- **Who prepares it?** Owner's team prepares using HUD-provided form
- **Signatures:** HUD signs first, then Awardee
- **Notarized & recorded superior to other financial liens**
- **Key Provisions:**
 - Extends the project's affordability period; longer of 25 years (grants) of 15 years (loans) or 5 years beyond any existing affordability use restriction running in HUD's favor
 - Owner must renew assistance contract during term
 - Survives foreclosure/bankruptcy
 - Default provisions if Owner is out of compliance with GRRP

GRRP Grant Agreement or Surplus Cash Loan Agreement (HUD Forms)

- **When is it required?** Always – pick appropriate Agreement based on award type (Grant or Surplus Cash Loan)
- **Who prepares it?** Owner’s team prepares using HUD-provided form
- **Signatures:** Electronic; HUD signs first, then Awardee
- Exhibits include:
 - Legal Description
 - Elements Investments
 - Draw Schedule
 - Sources & Uses
 - Additional Provisions

 **Green and Resilient Retrofit Program
Surplus Cash Loan Agreement
(Elements Cohort)**

**U.S. Department of Housing
and Urban Development
Office of Multifamily Housing**

Public reporting burden for this collection of information is estimated to average 30 minutes 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required to receive an award under the Green and Resilient Retrofit Program (GRRP) as authorized by Section 30002 of the Inflation Reduction Act of 2022, Public Law No. 117-169 (“IRA”), titled “Improving Energy Efficiency or Climate Resilience of Affordable Housing.” Requirements for GRRP were established in Notice H 2023-05, and subsequent notices, including Notice H 2024-01. The information will be used to close on a GRRP Loan Award and dictate the terms under which the Loan will be awarded. There are no assurances of confidentiality.

Owner (complete each box, even if information is duplicative)			
Owner Entity Name:		Notice Address:	
Project Name:	Unit Count Assisted: Unassisted: Total:	Project Address:	
Assistance Contract Number (PRAC or HAP):		IREMS ID Number:	FHA Number (if applicable):
Surplus Cash Loan Award Information			
GRRP Surplus Cash Award No.: Award Letter Date		HUD Administering Office: U.S. Dept. Of Housing & Urban Development Office of Recapitalization, Multifamily Investments Division 451 7 th Street SW, Room 6230 Washington, DC 20410	
GRRP Loan Amount: \$			
GRRP Use Agreement			
GRRP Use Agreement Effective Date:			
GRRP Use Agreement End Date:			
Scope of Work			
Estimated timeframe for completion of Scope of Work (the “Completion Date”):		[INSERT ACTUAL DATE]	
GRRP Completion Certification Due No Later Than:		[INSERT ACTUAL DUE DATE]	

GRRP Surplus Cash Note & Mortgage (HUD Forms)



Project I
GRRP I
GRRP I
REMS I

GRRP Surplus Cash Note

PROJECT NAME:
PROJECT LOCATION:
IREMS No. / [FHA PROJECT No.]
GRRP LOAN No:

GREEN AND RESILIENT RETROFIT PROGRAM (GRRP) SURPLUS CASH NOTE

THIS GREEN AND RESILIENT RETROFIT SURPLUS CASH NOTE ("Note") is made as of [INSERT DATE] (the "Effective Date"), by [INSERT OWNER] (the "Owner"), as maker hereof, to the order of the UNITED STATES OF AMERICA acting by and through SECRETARY OF HOUSING AND URBAN DEVELOPMENT, his/her/their successors and assigns (either the "Secretary" or "HUD"), as holder hereof.

FOR VALUE RECEIVED, the Owner hereby promises to pay to the Secretary, or order, at Pay.gov (<https://pay.gov/paygov>) or such other place as the Secretary may designate in writing, up to the sum of _____ and _____/100 Dollars (\$_____), with simple interest from the date HUD approves the Completion Certification or [insert the date that is 30 months from the Effective Date], whichever is sooner, at the rate of one percent (1%) per annum (the "Interest Rate"), on the unpaid principal balance disbursed until paid.

A. Definitions.

1. Miscellaneous Defined Terms.

- a. "Green and Resilient Retrofit Program" or "GRRP" refers to HUD's implementation of Section 30002 of Title III of the Inflation Reduction Act of 2022 (Pub. L. No. 117-169) titled "Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing."
- b. "GRRP Loan" means that certain loan made as of the Effective Date from the Secretary to the Owner evidenced by, among other documents, this Note.
- c. "GRRP Loan Document(s)" means the documents that evidence or secure the GRRP Loan, and those other documents executed by Owner in connection with the GRRP Loan, including, without limitation, the GRRP Loan Agreement, and the GRRP Use Agreement.
- d. "Mortgaged Property" means the real property encumbered by the Mortgage, including the improvements thereon (the "Project") and the rents, profits and issues therefrom.
- e. "Security Instrument" means the Green and Resilient Retrofit Program Mortgage

Version: 3/14/2024

Recording requested by:

After recording return to:

GREEN AND RESILIENT RETROFIT PROGRAM M
DEED TO SECURE DEBT, OR OTHER DESIGNA
JURISDICTION) AND SECURITY I

(STATE)

This Green and Resilient Retrofit Program Loan Mortgage, Debt, Or Other Designation as Appropriate in Jurisdiction] and Instrument") is made as of _____, 20____, by _____ a [limited/general partnership][limited liability company][corp] the laws of _____, whose address is _____ grantor and borrower (the "Borrower"), and the SECRETARY OF HOUSING AND URBAN DEVELOPMENT as Lender (the "Lender," "Secretary," or assigns thereof).

[ALTERNATIVE A DEED OF TRUST GRANTING APPLICABLE. Borrower, in consideration of the Indebtedness Security Instrument, irrevocably grants, conveys and assigns to and assigns, in trust, with power of sale, the Mortgaged Property _____ County, State of _____ and this Security Instrument, to have and to hold the Mortgaged Property to their successors and assigns.]

[ALTERNATIVE B MORTGAGE GRANTING APPLICABLE. Borrower, in consideration of the Indebtedness this Security Instrument, irrevocably mortgages, grants, conveys and assigns, with power of sale, the Mortgaged Property _____ County, State of _____ and described in this Security Instrument, to have and to hold the Mortgaged Property unto their successors and assigns.]

- **When are they required?** Surplus Cash Loans only
- **Who prepares them?** Outside parties prepare using HUD provided forms
- **Who signs it?** Executed by Borrower (awardee) at closing; Mortgage is recorded
- **Key Provisions:**
 - Outlines maximum loan amount, interest rate, when interest begins accruing, payment terms, maturity
 - Includes provisions regarding sales, default, etc.



More information on Surplus Cash Loan terms:
See Section 6.2 of the GRRP Notice

HAP Addendum for Financial Requirements (HUD Form)



Property Name:
Contract Number:
IREMS Number:

OMB Approval XXXX-XXXX
(Exp. XXXXXXXX)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HOUSING
PROJECT-BASED SECTION 8 HOUSING ASSISTANCE PAYMENTS

*Addendum to Project Based Section 8 Housing Assistance Payments Contract for
Green and Resilient Retrofit Program (GRRP)*

RECITALS

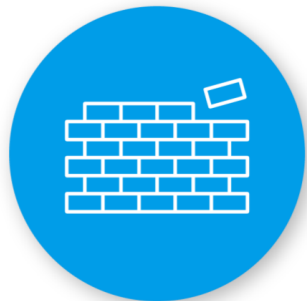
1. The Owner is party to a Section 8 Housing Assistance Payments Contract (the "HAP contract"), authorized under section 8 of the United States Housing Act of 1937 ("Act"), 42 U.S.C. § 1437f, with the contract administrator (HUD, or a public housing agency ("PHA") acting under an annual contributions contract ("ACC") with HUD). The HAP contract may have been renewed under a contract ("the Renewal Contract") or under successive Renewal Contracts authorized under the Multifamily Assisted Housing Reform and Affordability Act of 1997, 42 U.S.C. § 1437f note. The term "HAP Contract," as used in this addendum, means either the Original HAP Contract or the Renewal Contract in effect on the effective date of this addendum, including any amendments and exhibits thereto.
2. The Owner has been selected for an Elements Award, Comprehensive Award or a Leading Edge Award under the Green and Resilient Retrofit Program (GRRP), authorized under Section 30002 of the Inflation Reduction Act of 2022, (Public Law 117-169), pursuant to the terms of a Notice of Funding Opportunity.
3. HUD has reviewed and accepted the Elements Closing Package, Leading Edge Transaction Plan or Comprehensive Transaction Plan.
4. The Owner has executed the Legal Documents required by HUD for participation in the GRRP in accordance with the GRRP Notice.

AMENDMENT

As a result of the foregoing recitals, the HAP Contract is amended to include the following provisions:

- A. Compliance with applicable Federal statutes and regulations, as amended from time to time.** The Owner shall comply with all applicable Federal statutes and regulations, as amended from time to time, including all applicable regulations in 24 C.F.R. part 5, as amended from time to time, including without limitation the following:

- **When is it required?** Always required for Section 8 HAP properties
- **What is it?** Standardizes requirements re: financial reporting, physical condition, occupancy and management
- **Who prepares it?** Owner's team prepares using HUD provided form
- **Signatures:** Electronic; Between HUD, the Project Owner, and the Contract Administrator (if not HUD administered)
- Incorporated as closing as an addendum to the project's current assistance contract



Consolidated Owner Certification (template)



SAMPLE TEMPLATE



HUD Green and Resilient Retrofit Program (GRRP) Consolidated Owner Certifications Elements Award

Instructions: Certifications without a checkbox apply to all GRRP transactions. You must review the certifications with a checkbox and check if applicable. You may add other certifications if required by HUD for your transaction. This is a sample template and may be adjusted as necessary for your transaction, in consultation with HUD.

Owner:

Project Name:

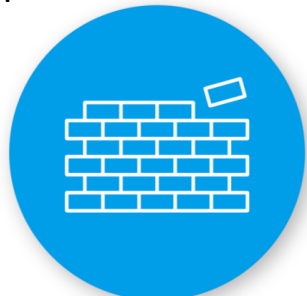
GRRP Award Number:

IREMS Number:

The Owner to the best of its knowledge and belief, hereby assures and certifies that it will comply with the following. A copy of this fully executed certification must dated as of Closing and be submitted to HUD with the executed Closing documents.

1. **Eligibility.** There has been no material adverse change to the eligibility of the Owner or the Project since the Owner accepted the Elements Award on [insert date of execution of Elements Award Commitment Letter].
2. **Assistance Contract.** The Project is currently assisted by an assistance contract with HUD under the following program (check applicable program):
 - a. Project-Based Rental Assistance (PBRA) Housing Assistance Payments (HAP) Contracts:
 - i. New Construction
 - ii. State Housing Agencies Program
 - iii. Substantial Rehabilitation
 - iv. Section 202/8
 - v. Rural Housing Services - Section 515/8 (including Section 8 Farmer Home Administration (~~FmHA~~))
 - vi. Loan Management Set-Aside (LMSA)
 - vii. Property Disposition Set-Aside (PDSA)
 - viii. Rental Assistance Demonstration (RAD) PBRA Contracts executed on or before September 30, 2021
 - ix. Pension Fund PBRA Contracts executed on or before September 30, 2021
 - b. Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) or Section 202 of the Housing Act of 1959 (former 12 U.S.C. 1701q), as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act ("Section 202"), including:
 - i. Section 202/162 Project Assistance Contract (PAC) b.

- **When is it required?** Always
- **What is it?** Template certification for Owner re: key GRRP program requirements
- **Who prepares it?** Owner prepares
- **Signatures:** Signed by the Owner electronically at closing
- **Key Provisions:**
 - Resident notification & meeting requirements met
 - Post-closing responsibilities such as Final Closing Docket submission, GRRP Completion Certification submission
 - Receipt of all other HUD-required approvals
 - Owner responsibility to annually renew UEI registration



GRRP Certification & Assurances (template)



SAMPLE TEMPLATE

HUD Green and Resilient Retrofit Program (GRRP) Certification and Assurances

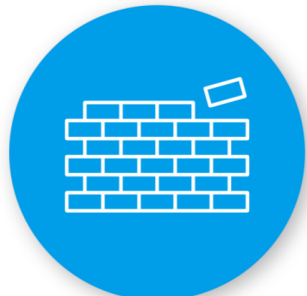
Re: Project Name:
Location:
IREMS ID Number:
GRRP Loan or Grant Number:
Owner:

The Owner certifies to HUD that:

- GRRP Closing Documents.** The documents shown in Exhibit A were submitted to HUD for review through [date] in connection with the above-referenced GRRP award (collectively, the "GRRP Closing Documents").
- Final Closing Docket.** The final executed GRRP Closing Documents conform to the drafts submitted to HUD for review and have not been changed or modified in any manner except (a) to accept and incorporate outstanding HUD comments or (b) as fully identified and approved by HUD as evidenced in the attached documentation, if any. It is understood that changes and modifications do not include (1) the insertion or correction of execution dates, typed names/addresses, formatting, typographical corrections, cross-reference information and similar non-substantive additions and corrections, or (2) attachment of approved exhibits or riders or making changes authorized by HUD.
- No Change to Title.** Nothing has been added to the title of the Property that adversely affects GRRP Use Agreement since HUD has reviewed the last version of the title report or proforma title policy. The recording order for the GRRP Closing Documents is in Exhibit B.
- Error & Omissions.** Should an error or omission be found in such GRRP Closing Documents or recording order the undersigned shall correct such error or omission and arrange for the re-execution and, if necessary, re-recording of such document at the expense of the Owner and without the use of Federal funds or Federal restricted funds.
- Material Changes.** Any material changes made to any document executed to implement the closing of the transaction contemplated by this certification between the date of this certification and the date of the closing requires HUD's written approval. If a material change is made without HUD's written approval to any document executed to implement the closing of the transaction contemplated by this certification, or if HUD's escrow instructions are not complied with, HUD reserves the right, in its sole discretion, to take any actions that it deems necessary to address the change or protect its interests.

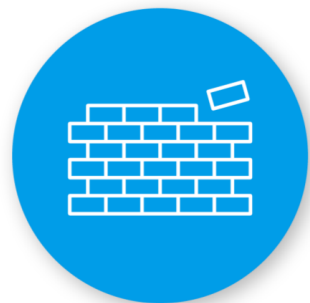
GRRP Certification and Assurances
Version: 3/11/2024

- **When is it required?** Always
- **What is it?** Template certification for Owner and Owner's counsel re: GRRP documents including material changes, title; memorializes recording order
- **Who prepares it?** Owner's team prepares
- **Signatures:** Signed by the Owner & Owner's counsel electronically at closing



Tips for a Smooth Elements Award Closing

- 1. Follow guidance in the Elements Closing Checklist** to ensure a good draft package submission
- 2. Make sure you are using the latest version of the GRRP HUD Forms + Templates** on www.hud.gov/grrp/elements before you submit your draft package!
 - Expect templates, forms, and checklists to change as the GRRP program matures!
- 3. Clear and frequent communication with your HUD Closing Team** (*GLS, HUD counsel, MF Account Executive, other HUD offices involved in larger recap event, like FHA/Production*)
- 4. Establish and stick to a closing timeline**



Elements Closing Questions

Q: When will Elements Surplus Cash loan documents be released?

A: These documents are now available! Check out the [hud.gov/grrp/elements](https://www.hud.gov/grrp/elements) web page for a copy of the Elements Surplus Cash Loan Agreement, Note, and Mortgage

Q: How will Draw Requests work?

A: Draw requests will be submitted via Greenlight. These requests will match your submitted Draw Schedule that is part of your Closing Package. Elements Awardees can submit draw requests for up to 90% of Award amount following HUD receipt and approval of Final Closing Docket after closing with 10% held until GRRP Completion Certification. Your assigned GLS will be reviewing and approving draw request.

Q: What are the Elements Surplus Cash Loan repayment terms and where GRRP should sit in the waterfall?

A: Check out Section 6.2 of the Notice for guidance on the terms of the Surplus Cash Loan.

Elements Closing Questions

Q: What is the Payment and Performance bond criteria?

A: Amount should equal the construction contract amount. HUD should be listed as a dual obligee for Surplus Cash loan awards.

Q: Owners' Completion Guaranty - are we able to utilize the guaranty that was provided during main transaction closing?

A: The Owner's Completion Guaranty should be in respect to the GRRP Elements Investments and in favor of HUD.

Q: How do I apply for the Shared Savings Retainers (SSR)?

A: First, review Section 9.5 of the GRRP Notice for detailed information and eligibility. If your property is eligible, order a utility study from a professional engineering firm or other qualified third party that establishes projected tenant paid utility savings based on the proposed scope of work. Upload the study to Greenlight as part of your draft closing package submission. HUD will review and confirm the estimated retainer amount and a HAP Addendum will be executed as part of the Elements closing process to memorialize the amount.

Wrap Up

➤ Questions?

- Email your GLS or grrp@hud.gov if you are not sure who your GLS is
- View GRRP Program FAQs: <https://www.hud.gov/GRRP/FAQs-GRRP>

➤ Recording and slides will be available on www.hud.gov/grrp in 1-2 weeks

➤ Elements Closing Forms & Templates: <https://www.hud.gov/GRRP/elements>

Thank you for joining us today!

