



Buyer Select Closing Instructions

Pre-Closing Instructions

Estimated HUD 1

A pre-closing package is required for each closing transaction. The package is due to the designated AM Contractor no later than five (5) business days prior to closing in comply with HUD requirements.

Pre-closing packages must include the following documents:

- HUD – 1 and signature affidavits
- FHA case number must appear on the HUD – 1. This is generally input in field #8 along with the new FHA case number or in the “Seller Name” field.
- The address for the seller must read:
- Secretary of Housing & Urban Development - **ATL HOC: 40 Marietta Street, Atlanta, GA 30328**
- Deed, accompanied by:
- Supporting documentation of any charges show to HUD on the Settlement Statement (all past due bills Utility/HOA’s etc.)
- Include recent tax documentation from the county
- Lender documents (insurance binder invoices, fee contributing to Seller – paid closing cost itemization (from the ratified Sales Contract; Line 5) itemizing all the costs to be paid by seller, with an adding machine tape to verify total amount or separate breakdown list
- Copies of Extension Fee payment if applicable
- Seller’s affidavit (if applicable)
- Your contact information in order for the AM Contractor to forward the original Grant Deed or Special Warranty Deed with correct legal description.
- **For areas where the AM is holding the earnest money, Closing Agent is to receive earnest money funds**

Closing costs automatically paid by HUD:

- Proration of property taxes and any special assessments such as Homeowner’s Association (HOA) fees and utility bills
- Condominium or HOA Transfer Fee, if applicable
- Cost to provide condominium documents to purchaser
- Repair Escrow Inspection Fee of \$200 (if applicable on loan docs)
- Recording Fees, HUD will automatically pay recording grant deed only
- Overnight Fee for Final Certified HUD1 sent to AM Contractor (Cost is to be reasonable and customary for the area)

If HUD is going to pay this fee the Closing Agent must include a receipt showing that they are using this service. The receipt (FEDEX, USPS or any overnight services they use) must be dated with the date the package was mailed. Buyer Select Closing Agents must also have their address and Ofori’s address on the receipt. This should be included in the Return HUD-1 package. When we review the Final HUD-1 package we will be looking for this receipt if there are fees for any overnight services placed on the sellers side of the HUD-1.

Note: HUD Notice: H 2011-33 identifies allowable closing costs paid in connection with the sale of HUD-owned Single Family Properties in which are reasonable and customary (statement is on line 5 of purchase contract)

Pre-Closing Instructions Estimated HUD 1

The AM Contractor will review the preliminary HUD-1 and all revised HUD-1's received from the Closing Agent. The AM Contractor and the Closing Agent are responsible for ensuring that the HUD-1 is complete and accurate. The AM Contractor will communicate with the Closing Agent until the HUD-1 is final and is the only entity that can approve the HUD-1.

The AM Contractor is prohibited from executing deeds more than five days prior to the actual date of closing. The AM Contractor will electronically approve and return the HUD-1 and overnight the original signed deed back to the Closing Agent. For areas where the AM holds the earnest money, they will also return the earnest money along with the deed.

Note: The Closing Agent must submit the entire pre-closing package to the AM Contractor within five (5) business days prior to closing.

HUD-1 Guidance

Enclosed are line numbers or ranges and a description of fees for each that HUD requires to be placed on, or within said lines or ranges.

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HUD-1 expenses must be accurately recorded.

Area 200. Amounts Paid by or in Behalf of Borrower

Specifically Line 206 and 208, these must accurately reflect expenses that should have been paid by the borrower.

For Buyer Select HUD-1's: Since the extension fees are being paid outside of closing by being sent directly to HUD, they should be shown in the 1300 Section of the HUD-1 as a POC item. The refunds would still be reflected on lines 206/506.

Area 500. Reductions in Amounts Due Seller

Line 503 – Existing loan(s) taken subject to. This line is exclusively reserved for existing loan(s) taken for Purchase Money Mortgage (PMM) sales.

Line 504 – Payoff of first mortgage loan. The use of this line is prohibited.

Line 505 – Payoff of second mortgage loan. Same as line 504.

Line 506 – Extension fee refunds. This line is exclusively reserved for extension fee refunds.

Line 507 – Marketing allowances and sales discounts. This line is exclusively reserved for marketing allowances and sales discounts approved by HUD at the time of acceptance of the sales offer.

Line 513 – All other unpaid tax and assessments. This line is exclusively reserved for “base” tax expenses not reported on lines 510 (City tax), 511 (County Tax), or 512 (Assessments). There are approximately 25 different types of taxes and assessments nationwide. An insufficient number of lines exist to individually record each tax type. This line may not be used to record tax penalty and interest or similar such expenses.

Line 514 – Penalty and interest HUD or Penalty and Interest Mortgagee.

Line 515-518 – These lines are reserved for expenses not specifically addressed above.

However, they must not be used to record expenses that are required to be reported on other lines. For example, taxes and assessments must be reported on lines 510-513 – not on lines 515-518.

Line 703 and Line 704 is commission and Broker bonus

Whenever there is a 203-b escrow repair contract sale, the preparation of the HUD-1 should reflect the escrow amount in Section 1300, line 1302 on the buyer's side of the HUD-1 and the \$200 escrow fee allowance. This allowance is paid to the lender to administer the escrow, and it should be shown in Section 800 on line 809 or 810 to coincide with GFE #3. The \$200 admin fee for 203(b) is paid by HUD (goes on the seller's side).

Line 1102 is closing agent fee.

Contract Extension Requests

To extend a Buyer Select sales contract: the HUD-registered broker or selling agent must mail the contract extension form, supporting documents, and fee to the enclosed address at least two calendar days prior to the expiration date of the contract, or last approved extension:

Ofori & Associates, PC

2000 River Edge Parkway, Suite 300
Atlanta, GA 30328

Questions or concerns regarding extension requests should be sent to the email address below:

BSEXT@Oforireo.com

The submission of contract extensions is the HUD-registered selling broker or agents' responsibility. **It is not the Buyer Select Closing agent, nor the buyer's attorneys' responsibility to complete this action.**

Closing Time Frame:

All purchasers must close within the timeframe specified on Line 9 of the sales contract based on the Contract Acceptance Date. The Contract Acceptance Date refers to the date of Seller's ratification of the Sales Contract. **Failure by the Selling Broker or Selling Agent to file a proper extension with Ofori & Associates, PC prior to the expiration of the Sales Contract, as set by Line 9 of the Sales Contract or any approved extensions thereof, will result in cancellation of the Sales Contract.**

Further, the Selling Broker, Agent, and/or Purchaser understand and accept that an extension must be filed for any contract that is due to expire, regardless of reason.

Should the Selling broker, Agent, and/or Purchaser refuse or fail to fulfill the contractual obligations, HUD reserves the right to retain all or a portion of the Purchaser's deposit as liquidated damages.

Closing Extension Policy:

Ofori & Associates, PC, as HUD's Representative, may grant an extension of closing time and, if approved, extensions will be granted for a period of fifteen (15) days. The "Request for Extension of Closing Date" and all the required supporting documents must be submitted to Ofori & Associates, PC no later than forty eight (48) hours prior to the expiration of the Sales Contract. Documentation must be submitted with the extension request and must establish that closing can reasonably be expected to occur within the extension time period.

The extension request must be accompanied by a cashier's check, money order or other certified funds in the appropriate amount and made payable to HUD. Wire transfers are not permitted and will not be accepted. The fee is based on the Contract Sales Price:

Contract Sales Price equal to or less than \$25,000.....Extension fee is \$150 total (\$10.00 per day)
Contract Sales Price of \$25,001 to \$50,000.....Extension fee is \$225 total (\$15.00 per day)
Contract Sales Price over \$50,000.....Extension fee is \$375 total (\$25.00 per day)

HUD will retain the extension fee if the sale fails to close. In the event that the Purchaser closes prior to the end of the extension period, the unused, prorated portion of the extension fee will be credited to the purchaser at closing.

The initial fifteen (15) day extension will be provided for owner occupant purchasers at no cost, if documentation is provided indicating that proper and timely loan application was made, that the delay of closing is not the fault of the Purchaser and that mortgage approval is imminent.

The submission of an extension request along with the required fees does not automatically obligate the Seller to accept the extension. Acceptance is entirely at the Seller's discretion after review of the documentation that has been submitted. An approval of an extension request does not obligate the Seller to grant future extensions.

Line 9 Amendments and/or Buyer Select Closing Agent Changes

HUD has a new policy such that Line 9 of the HUD sales contract must reflect the name of the Buyer Select Closing Agent's office where the closing shall be held.

The name of the Buyer Select closing agent on Line 9 of the contract must also match the closing agent that is listed on HUD-1 settlement statement. If the closing agent named on the contract does not match the HUD-1; both your contract and the Buyer Select Escrow addendum may require an amendment, or the closing agent named on the HUD-1 may have to be revised to match the closing agent listed on the contract.

If a contract amendment is required, take a copy of the executed sales contract you already have (that is signed by the purchaser(s) and broker), and write in the name of the closing agent company being used on line 9. If something is already written on line 9, you may cross it out or white it out. Please make sure the buyer initials this change. Then email the amended contract to the Ofori contact provided on the Notice of Acceptance letter and we email you to confirm our receipt and acceptance of the revised contract, OR provide further instruction.

If the buyer is switching from one Buyer Select closing agent to another, a new Buyer Select Escrow addendum must be completed and signed by all parties. Line 9 of the contract will also have to be amended per the instructions noted above. Once both documents are complete, email them to the Ofori contact provided on the Notice of Acceptance letter and we email you to confirm our receipt and acceptance of the revised documents, OR provide further instruction.

The Buyer Select Closing Agent form is enclosed in the pages below.

Title information and issues

HUD does not provide title searches, opinions, commitments, binders, or title insurance policies. The Buyer Select closing agent, or similar service provider is required to provide this information to the buyer and/or lender upon request. Contact information for the Buyer Select closing agent can be found in the contract package.

Title issues that have the potential to impact the marketability or insurability of title should be sent to BSTITLE@Oforireo.com.

When reporting a title issue, be sure to include the **case number** and **address** in the Subject line of the email, provide a brief explanation of the issue, and attach all applicable documentation to support the issue.

Ofori will send the title issue to HUD's Mortgagee Compliance contractor, Michaelson, Connor, & Boul (MCB). MCB in turn will submit the title issue to mortgagee (lender) for review and response, or resolution. The lender will have a minimum of 10 calendar days to review and respond to the issue from date received by MCB. Any title issue that cannot be resolved within 10-days is subject to be reconveyed. If reconveyance occurs, Ofori will notify the Selling Agent, Listing Broker, and Buyer Select Closing Agent that the contract must be cancelled, and the buyer's earnest money returned. Contact information for the Buyer Select Closing Agent can be found in the contract package.

BILLS

All assessments, including improvement assessments, which are available for payment without interest or penalty for advance payment, taxes, rent, and ground rent, if any, shall be prorated as of the closing date.

All property related bills such as water, water certifications, final payment certificates, sewer or water reclamation, garbage/trash, HOA bills, requests for paid assessment letters, paid assessment letters, special assessments, code violations, fines, UCC liens, municipal liens, or other charges for services performed etc., should be sent to BS1ABILLS@Oforireo.com.

All city and/or county property taxes can be placed on the HUD-1 that is prepared for closing.

However, if a non-tax related lien is included (or assessed) on the tax bill it must be sent to BS1ABILLS@Oforireo.com for either settlement, OR approval to have it paid on the HUD1 **before** the case is scheduled for closing.

Upon receipt of the bill(s), Ofori will send them to HUD's Field Service Management (FSM) contractor, PK Management Group (PKMG) for payment, or resolution. Ofori will also return proof of payment to the closing agent upon receipt from the FSM. Follow up requests for status of bill payments should also be sent to BS1ABILLS@Oforireo.com.

Note: Closing Agents should not expect to be reimbursed for costs in which they have not already obtained HUD approval.

Scheduling Requests

To schedule a case for closing:

1. Read, complete, and attach the 5-page **Closing Instructions and Certification** form, with the last page completely filled out by the closing agent, to your scheduling request.
2. Send an email containing the **FHA Case number** and **address** in the "Subject" line of the email to BSSchedule@Oforireo.com.

Note: The requested closing date cannot be sooner than five business days from the date of your request. Once the request is received with the completed **Closing Instructions and Certification** form attached, your case can be added to the schedule if there aren't any issues.

Deeds

All deeds must be prepared and provided to Ofori for signing by the Buyer Select closing agent. The deeds must be sent to BSDeeds@Oforireo.com.

HUD-1 Settlement Statements

All HUD-1s must be submitted to Ofori at least five 5-calendar days prior to closing and emailed to: BSHUD1@Oforireo.com

Ready to Close Inspection

We are prohibited from allowing a property to close without a "Ready to Close" inspection. This inspection must be performed no more than 5 days prior to the closing date. Ofori is responsible for ordering this inspection by our Listing Broker. As a result, you will not receive HUD-1 approval prior to the completion of the Ready-to-Close inspection.

Transfer Stamp Fees

Some cities may require a transfer stamp before they will record a deed for the purchaser. The Closing Agent must pay this fee and seek reimbursement from HUD on the settlement statement at closing. When you submit your preliminary closing package for review; please include documentation from the city identifying transfer stamp fees. Please add the words "**Transfer Stamp Required**" in the Subject line of the email for all applicable cases. At that time; Ofori will request **authorization** from HUD to approve your reimbursement for this charge. The original deed will be sent directly to your office so you can obtain the stamp ASAP. Ofori's listing broker will overnight the earnest money to you once we confirm the deed and HUD-1 are ok.

Note: Closing Agents should not expect to be reimbursed for costs in which they have not already obtained HUD approval.

Closing Costs

When a closing cost credit is utilized by the purchaser, they have two options in regards to how the credit should be reflected on the HUD-1.

1. A credit can be added to the first page of the HUD-1 (lines 208/508 or 209/509) and the charges placed in the purchaser's column of the second page. When you choose this option, the charges that are used in the closing cost credit on the first page must be itemized on the HUD-1 by an asterisk next to each line item on the second page or a separate addendum must be provided to indicate which charges are being used in the credit reflected on lines 208/508. HUD will only pay actual costs charged to the purchaser.
2. You can place the items you would like to add as a seller paid closing cost in the seller's column of the second page. In this instance you will remove the credit on lines 208/508.

HUD's Delegation of Authority

The site below contains a spreadsheet that shows the delegates that are approved to sign closing documents on behalf of HUD. After opening the webpage select "**Atlanta**" to view the list of approved delegates for Ofori.

Website: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/reo/mm/mmdoa

Closing Notification

An email confirming the completion of closing must be sent to Ofori within 24 hours of the actual closing date to 1AClosing@oforireo.com.

A copy of the Final Closing package should also be scanned and emailed to the above address before the original documents are overnighted to our office.

Delivery of HUD-1 Post-Closing Packages / Access to P260

Additionally, to aide in **timely delivery of closing packages to our office**, please be advised that HUD is now granting access to their Electronic Data Management System, P260 for all “active” Buyer Select Closing Agents.

Access to P260 will give you the ability to view case/contract information, upload and/or view documentation and notes in the system, and add the Actual Closing Date.

Uploading the post-closing packages in P260 however, will not eliminate the requirement to overnight the final closing package to the Asset Manager.

To obtain access to P260, please complete and return the enclosed **P260 Access Request form** to 1AClosing@oforireo.com.

Additional Questions or Concerns

Any additional questions or concerns you have should be direct to the Ofori contact provided on the Notice of Acceptance letter provided with the contract.



Buyer Select Closing Agent

P260 ACCESS REQUEST FORM

**TO ENSURE ACCURACY OF YOUR DOCUMENT, PLEASE UTILIZE THE FILLABLE FORMAT BELOW
HANDWRITTEN DOCUMENTS WILL NOT BE ACCEPTED.**

Super User First Name: _____

Super User Last Name: _____

Email Address: _____

Phone Number: _____

Company Name: _____

Title ID#: _____

After completing the above information, please return this form to 1AClosing@Oforireo.com and include **BSCA P260 Access Request - Enter Your Company Name** the Subject line of the email.

The above information will be provided to HUD's Helpdesk who in turn will set up the Buyer Select Closing Agent Super User then contact the Super User to help them get going.

Enclosed is an example of how to complete HUD Form SAMS-1103.

This example uses the following information.

Wire amount: \$12,100.00
Buyer Select Closing Agent Name: Quick Closers, LLC
HUD Property Address: 123 Main Street, Chicago, IL
Buyer Select ID#: QKCLSR0001
Buyer Select Contact: Joe Quick
Buyer Select Contact Phone Number: 312-000-0000

When completing this form be sure to complete lines 2,6,7,8,9,10 **and** also provide a contact name and phone number beneath these lines.

Line 2: The dollar amount should not include dollar signs or commas

Line 6: This line is for the company name of the buyer select closing agent

Line 7: The case number should be written as it appears on the sales contract. It should contain a total of nine digits with a hyphen after the first 3 digits. The wiring bank should also be sure to enter as much information as they can as displayed in the sample below.

Sample transmission of OBI data: 4231!C:131-000000

Line 8: This line should contain the house number, street name, and street type

Line 9: This line should contain the city and state

Line 10: This line should contain your Buyer Select ID#

Note: A Buyer Select Contact person & the contact person's phone number should be added beneath line 10.

**The Request to Wire Transfer Funds
FORM SAMS-1103 MUST BE INCLUDED WITH THE FINAL CLOSING
PACKAGE.**

Example

Single Family Acquired Asset
Management System (SAMS)
Request to Wire Transfer Funds

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

OMB Control #2502-0306
Exp (11/30/2013)

See back for Instructions and Public Reporting Burden Statement

Required Fedwire Information

		Field Tag #	Field Contents
1.	Type/Subtype Code	1510	10/00
2.	Amount	2000	12100.00
3A.	Receiver DI	3400	021030004
3B.	Receiver Name	3400	TREAS NYC
4.	Business Function	3600	CTR
5A.	Beneficiary ID Code	4200	D
5B.	Beneficiary Identifier	4200	86090300
5C.	Beneficiary Name	4200	US Department of HUD

Closing Agent. For each HUD closing, enter the requested information in blocks 6 thru 10 and present this form to your bank's wire transfer department. It is your responsibility to ensure the data are transmitted in the prescribed format. Request that your bank establish a repetitive templet for this format.

Wire Transfer Agent. Please follow these instructions:

- A. Transmit each character shown below in the field contents exactly as written.
- B. Do not include the preprinted informational headings, e.g., Closing Agent Business Name, Old FHA Case Number, etc., in the transmission.
- C. Blank fill all lines after entering the required information. Each OBI line contains 35 characters.
- D. Key verified data prior to transmission.
- E. Sample transmission of OBI data: 4231!C:123-456789

123 First St.
Anywhere, CA
ABCDEF1234

	Field Tag #	Field Contents
6.	Originator Name	5000 Closing Agent's Business Name Quick Closers, LLC
7.	OBI - Line 1	6000 4 2 3 1 ! C : 131-000000 Old FHA Case Number
8.	OBI - Line 2	6000 Property Address 123 Main Street
9.	OBI - Line 3	6000 City Chicago State IL
10.	OBI - Line 4	6000 Closing Agent NAID QKCLSR0001

If you have questions regarding this request, please call:
Contact Person for Closing Agent

Joe Quick

Phone Number (include area code)

312-000-0000

Single Family Acquired Asset
 Management System (SAMS)
Request to Wire Transfer Funds

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

OMB Control #2502-0306
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4.	Business Function	3600	CTR
5A.	Beneficiary ID Code	4200	D
5B.	Beneficiary Identifier	4200	86090300
5C.	Beneficiary Name	4200	US Department of HUD

Closing Agent. For each HUD closing, enter the requested information in blocks 6 thru 10 and present this form to your bank's wire transfer department. It is your responsibility to ensure the data are transmitted in the prescribed format. Request that your bank establish a repetitive templet for this format.

Wire Transfer Agent. Please follow these instructions:

- A. Transmit each character shown below in the field contents exactly as written.
- B. Do not include the preprinted informational headings, e.g., Closing Agent Business Name, Old FHA Case Number, etc., in the transmission.
- C. Blank fill all lines after entering the required information. Each OBI line contains 35 characters.
- D. Key verified data prior to transmission.
- E. Sample transmission of OBI data: 4231!C:123-456789

123 First St.
 Anywhere, CA
 ABCDEF1234

Field Tag #			Field Contents
6.	Originator Name	5000	Closing Agent's Business Name
7.	OBI - Line 1	6000	4 2 3 1 ! C : Old FHA Case Number
8.	OBI - Line 2	6000	Property Address
9.	OBI - Line 3	6000	City State
10	OBI - Line 4	6000	Closing Agent NAID

If you have questions regarding this request, please call:
 Contact Person for Closing Agent

Phone Number (include area code)

Public reporting burden for this collection of information is estimated to average 6 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 information enables HUD to record and process financial transactions in its automated Single Family Acquired Asset Management System (SAMS) to dispose of acquired single family properties. HUD reimburses property managers, closing agents, selling brokers, and trade vendors for their services in maintaining, marketing, and selling HUD homes, and HUD collects funds associated with the sales of these properties. The information enables HUD to create and maintain sound financial management practices and effective internal controls over the property disposition program. A response is required to obtain or maintain a benefit.

Treasury Financial Communications Systems (TFCS)

Instructions for Completing form SAMS-1103, Request to Wire Transfer Funds

Required Data for Bank Use Only

1. **Type/Subtype Code (1510):** The type/subtype code will be provided by the sending bank.
2. **Amount (2000):** The transfer amount will be provided by the depositor. Include decimal points, but do not include dollar signs or commas in the transfer amount.
3. **Receiver DI (3400):** This information contains two parts (A and B) and identifies the receiving institution provided on the form. **Do not alter this information.**
4. **Business Function (3600):** The Business Function Code describes the business purpose of the message. Sending banks should use either the Customer Transfer (CTR) or Customer Transfer Plus (CTP) Business Function Code.
5. **Beneficiary (4200):** This information contains three parts (A, B, and C) and identifies the ultimate party to be credited or paid. **Do not alter this information.**

Note: Items 3. and 5. above are of critical importance and they must appear on the funds transfer deposit message in the precise manner as stated. This will permit the automated processing and classification of the funds transfer message to the agency location code of the appropriate agency.

Required Data from Closing Agent

6. **Originator (5000):** This identifies the business name of the originator of the payment order contained in the transfer and must be provided by the depositor.
7. **OBI - Line 1 (6000):** The nine digit old FHA case number specified on the form HUD-9548, Sales Contract. The pre-printed number 4231 identifies the Single Family Property Disposition Program. **Do not alter this number.**
8. **OBI - Line 2 (6000):** The property address of the property sold/closed.
9. **OBI - Line 3 (6000):** The city and State of the property sold/ closed.
10. **OBI - Line 4 (6000):** The closing agent's 10 character Name and Address Identifier (NAID) provided by the local HUD Office.



**U.S. Department of Housing and Urban Development
Atlanta Homeownership Center**

Buyer Select Closing Agent

For properties identified for the "Buyer Select" closing agent program, the buyer will choose their own Settlement Company. The purchaser will be the responsible party for any and all closing fees. **Amounts listed on line 5 may be applied toward closing fees. Please note Line 9 of the HUD-9548 Sales Contract must contain the name of the buyer selected closing agent listed on this form.**

**TO ENSURE ACCURACY OF YOUR DOCUMENT, PLEASE UTILIZE THE FILLABLE FORMAT BELOW
HANDWRITTEN DOCUMENTS WILL NOT BE ACCEPTED.**

I/We authorize _____ to release a copy of the sales contract and all applicable addenda/amendments for the following property to the closing agent/escrow company listed on this form.

FHA Case Number _____

Property Address City _____ State _____ Zip _____

Buyers Name _____ Phone Number _____

_____ Phone Number _____

Selling Broker Name _____ Phone Number _____

Listing Broker Name _____ Phone Number _____

TITLE COMPANY / CLOSING AGENT / ESCROW COMPANY INFORMATION

Company Name Phone Number _____ Phone Number _____

Primary Contact Person _____ Phone Number _____

Secondary Contact Person _____ Phone Number _____

Mailing Address _____ City _____ State _____ Zip _____

Phone Number _____ Email Address: _____

Has this closing/escrow company previously registered with HUD? YES NO

If yes, please enter Title ID# _____

If no, attach a copy of Closing/Escrow Company's State license, evidence of Errors and Omissions insurance, and evidence of appropriate fidelity bonding currently in place.

Purchaser's Signature _____ Date: _____

Selling Agent's Signature _____ Date: _____

As the closing agent/company identified above, we agree that no release, whether written or oral, will be required from the buyer or any other entity prior to forwarding the earnest money to the Department of Housing and Urban Development (HUD) or their authorized agent should the earnest money be determined as forfeited in part or whole, and such determination is provided in writing by HUD or their designated representatives in accordance with HUD's Earnest Money Policy which the purchaser has signed.

Closing Company Authorized Agent: _____ Date: _____

For Agency Use Only:	
Processed By _____	Date: _____
APPROVED <input type="checkbox"/>	DENIED <input type="checkbox"/>

**OFORI - POST CLOSING PACKAGE
CHECKLIST**

Closing Date: _____

FHA Case Number: _____

Property Address: _____

Buyer's Name(s): _____

****Post-Closing Documents****

The original HUD-1 and the Certification: _____

Evidence the deed was delivered for recordation: _____

Bank fully executed transfer of proceeds/wire confirmation: _____

Note: Wires must be sent the day or but no later than the next banking day after closing.

All applicable invoices or receipts of disbursement: _____
i.e. water / Sanitary / Liens / Taxes / Assessment letter / etc.

Completed HUD Form SAMS-1103 - Request to Wire Funds: _____

Note: it is critical that the FHA case number is included with the wire transaction so the funds can be applied

Overnight Fee Receipt for Final HUD-1 sent to AM Contractor _____

overnight service used) must include the date the package was mailed. Buyer Select Closing Agents must also have their address and Ofori's address on the receipt. This should be included in the Return HUD-1

Good Neighbor Nex Door (GNND) transactions require the following:

1) Original Note _____

2) Copy of Mortgage with evidence it was delivered for recording _____

3) Copy of recorded Mortgage (when available) _____

All Post-closing packages should also be emailed to Ofori at 1AClosing@oforireo.com within two (2) business days of the closing date or no later than date the package is mailed to our office.

Post – closing Instructions

The Contractor shall perform all necessary post-closing activities, including, but not limited to, those below to ensure HUD is able to accurately and timely reconcile the closing. The Contractor shall retain copies to verify completion of each task in the Closing Agent file for the property.

Closing Agent Tasks

- Verification of Closing: On the same day that the closing takes place, the Closing Agent is to notify the AM that the closing took place.
- Wire Proceeds: NLT one banking day after the closing, the Closing Agent shall wire the net sales proceeds to the U.S. Treasury via FEDWIRE using the information contained on the SAMS-1103, Request to Transfer Funds.
- Deliver the Deed for Recordation. Not later than one day after the closing has taken place, the Closing Agent shall: Deliver the deed for legal recordation in the correct county and provide written notification to AM, Taxing Authority and HOA

AM Tasks

- Upon notification from the Closing Agent that the property has closed, the AM is to log the “actual closing date” in P260 and send e-mail notification to the FSM Contractor.
- Receive and Review Post Closing Package

A post-closing package is required for each closing transaction. The package is due to the AM Contractor no later than two (2) business days after closing has occurred via overnight.

Post-closing packages must include the following documents:

- The original HUD-1 and the Certification
- Evidence the deed was delivered for recordation or a recorded copy
- A copy of the bank fully executed transfer of proceeds wire confirmation
- A copy of all applicable invoices or receipts of disbursements
- Copy of the disbursement log accounting for all incoming and outgoing funds related to the transaction
- Overnight Fee Receipt for Final HUD-1 sent to AM Contractor
- **Note:** The receipt (FEDEX, UPS, Airborne, USPS or any overnight service used) must include the date the package was mailed. Buyer Select Closing Agents must also have their address and Ofori’s address on the receipt. This receipt must be included in the return HUD-1 package.
- HUD Form SAMS-1103 - Request to Wire Transfer Funds
- **NOTE: It is critical that the FHA case number is included with the wire transaction so the funds can be correctly applied**

Good Neighbor Next Door (GNND) transactions require the following additional documents:

- Original Note
- Copy of the Mortgage with evidence that it was delivered for recording
- Copy of the recorded Mortgage (when available)

Enclosed are blank copies of the 2nd Note and Mortgage for GNND sales. Buyer Select Closing Agents must complete the 2nd Note and Mortgage prior to closing, have them signed by the buyer at closing, then return the signed original note and a signed copy of the 2nd mortgage that was filed for recording in the post-closing package. Instruction should be provided to the County Recorder's office to return the original recorded 2nd mortgage to our office at the following address:

Ofori & Associates, PC
2000 RiverEdge Parkway, Suite 300
Atlanta, GA 30328

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FHA GOOD NEIGHBOR NEXT DOOR PROGRAM**

NOTE

\$ _____, 200

(Property Address)

1. BORROWER'S PROMISE TO PAY

(a) For valuable consideration that I have received, I, the Borrower, promise to pay the sum of U.S. \$ _____ (this amount being called "principal"), together with interest as computed below, to the order of the Secretary of Housing and Urban Development ("Secretary") or ("Lender"). The initial principal balance of this Note is the difference between the list price and the discounted sales price of the property at the address shown above (the "Property").

(b) I understand that the Lender may transfer this Note. The Lender or anyone to whom this Note is transferred and who is entitled to receive payment under this note is hereafter called the "Note Holder."

2. INTEREST

I will have no obligation to pay interest upon the principal of this note unless I am in default under the terms of paragraph 5 below, in which case I will pay interest at the United States Treasury's current value of funds rate in effect on the date of default.

3. PAYMENTS

(a) No regular monthly payments will be due under this Note.

(b) The principal balance of the loan will be reduced over the 36 month Owner-occupancy period, according to the following formula:

the principal shall be reduced by 1/36th on the last day of each month following the occupancy start date of **[insert date of commencement of Owner-occupancy period -- thirty (30), ninety (90), or one hundred eighty (180) days after closing]**.

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FHA GOOD NEIGHBOR NEXT DOOR SALES PROGRAM**

SECOND MORTGAGE

\$ _____, 20 _____

(Property Address)

This Second Mortgage ("Security Instrument") is given on _____, 20 _____. The Mortgagor(s) is/are _____, whose address is _____ [property address] ("Borrower"). This Security Instrument is given to the Secretary of Department of Housing and Urban Development ("Secretary"), whose address is _____ ("Lender"). Borrower owes Lender the principal sum of _____ Dollars (U.S. \$ _____). This debt is evidenced by Borrower's note ("Note") dated the same date as this Security Instrument, which provides for the circumstances under which the principal sum will become due and payable.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note and in accordance with the terms of the Note, and (b) the performance of Borrower's promises and agreements under this Security Instrument and the Note. For this purpose, borrower does hereby mortgage, grant and convey to the Lender, the following described property located in _____ County:

[insert legal description or statement regarding its attachment]

which has the address of _____ [Street],
_____ [City], _____ [State] _____ [Zip Code].
("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER PROMISES that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is

unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances or record.

1. Payment of Principal and Interest. Borrower shall pay, when due and payable, the principal sum of the debt evidenced by the Note and according to the terms of the Note.

2. Occupancy. Borrower shall own and occupy, establish and use the Property as Borrower's sole residence and shall continue to occupy the Property as Borrower's sole residence for at least 36 (thirty-six) months, beginning on _____ [insert **date of commencement of Owner-occupant period – thirty (30), ninety (90) or one hundred eighty (180) days after closing**] and ending on _____ [36 (thirty-six) months after date of commencement].

3. Fees. Lender may collect fees and charges authorized by the Note.

4. Grounds for Acceleration of Debt. Lender may require immediate payment in full of all sums secured by this Security Instrument as evidenced by the Note after any default by the Borrower occurs as described in paragraph 5 of Note.

5. Foreclosure Procedure. [For illustration only. Needs adaptation, per the instruction relating to paragraph 18 of the model mortgage form in appendix II of HUD handbook 4165.1 REV-2.] If lender requires immediate payment in full under Paragraph 4 above, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in the paragraph 5, including but not limited to, reasonable attorney's fees and cost of title evidence.

If lender invokes the power of sale, Lender shall give notice to borrower in the manner provided in paragraph 7 below. Lender shall publish and post the notice of sale, and the Property shall be sold in the manner prescribed by applicable law. Lender or its designee may purchase the property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including but not limited to, reasonable attorney's fees; (b) to all sums secured by this Security Instrument as evidenced by the Note; and (c) any excess to the person or persons legally entitled to it.

[The following language is mandatory in all cases.] If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 4, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C.3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 5 or applicable law.

6. Joint and Several Liability; Co- Signers. Borrower's promises and agreements shall be joint and several. Any borrower who is not a law enforcement officer, teacher or firefighter/emergency medical technician who co-signs this Security Instrument, but does not execute the Note is: (a) co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) not personally obligated to pay the sums secured by the Security Instrument as evidenced by the Note; (c) not obligated to live in the Property as his or her sole residence for three years; and (d) agrees that Lender and any other Borrower may agree to make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent

7. Notices. Any notice that must be given to Borrower under this Security Instrument will be given by delivering it or by mailing it by first class mail to Borrower at the Property address above.

Any notice that may be given to the Lender under this Security Instrument will be given by mailing it first class mail to the Lender at the address stated above or at a different address, if Borrower is given notice of that different address.

8. Governing Law; Severability. This Security Instrument shall be governed by Federal Law. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provision of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end, the provisions of this Security Instrument and the Note are declared to be severable.

9. Borrower's Copy. Borrower shall be given one conformed copy of this Security Instrument.

BY SIGNING BELOW, borrower accepts and agrees to the terms of this Security Instrument.

Witness:

Borrowers:

(c) However, upon any default described under paragraph 5 of this Note, the principal of the Note due and owing at the time of the default shall become immediately due and payable.

(d) I will pay any amount that becomes due and payable under this Note to the Note Holder at the address below, or at a different address if I am notified of a new address:

Address for payments and inquiries:

U.S. Department of Housing and Urban Development
National Servicing Center, Attn: GNND
Williams Center, Tower II
2 W. 2nd Street, Suite 400
Tulsa, OK 74103
Fax: (918) 292-8984
Toll free customer service no. for inquiries (including payoffs): (888) 297-8685

4. OWNER-OCCUPANCY TERM

I agree to own and live in the Property as my sole residence for a term of not less than thirty-six (36) months, commencing on **[insert date of commencement of Owner-occupancy period -- thirty (30), ninety (90) or one hundred eighty days (180) days after closing]**.

5. BORROWER'S FAILURE TO PAY AS REQUIRED

Default

I will be in default if:

(a) I cease to occupy the property as my sole residence prior to the end of the 36-month Owner-occupancy period referred to in paragraph 4 of this Note, unless the Note Holder expressly elects to waive this requirement for a specified period upon an evaluation of the relevant facts and circumstances;

(b) I sell or transfer the Property prior to the end of the 36-month Owner-occupancy period without the prior written consent of the Note Holder;

(c) I violate any provision of the first or second mortgages that I executed in connection with the purchase of the Property through the Good Neighbor Next Door Program (the "Program");

(d) I violate or fail to fulfill any condition, requirement or continuing obligation under the Program as set forth in applicable notices or regulations issued by the Secretary;

(e) I falsely certify or fail to certify that I am occupying or will occupy the Property as my sole place of residence for the 36 month Owner-occupancy term; or

(f) I give false or inaccurate information or statements to the Secretary (or fail to provide the Secretary with material information) in connection with the second security instrument (“mortgage”) securing payment of this Note or in connection with any first note and mortgage, including, but not limited to, representations concerning my occupancy of the Property as my sole place of residence.

6. NOTICE OF DEFAULT/ACCELERATION OF DEBT

If I am in default under paragraph 5, the Note Holder may send me a written notice telling me that if I do not cure the default by a certain date, the Note Holder may require me to pay immediately the full amount of the outstanding principal balance due under this Note. The date of the cure must be no later than 30 days after the date on which the notice is delivered or mailed to me. Interest shall accrue on the principal as set forth in paragraph 2 of this Note, as of the date of the default notice.

7. NO WAIVER BY NOTE HOLDER

Even if, at a time when I am in default, the Note Holder does not require me to pay in full immediately and or perform as described above, the Note Holder will still have the right to do so if I am in default at a later time.

8. PAYMENT OF NOTE HOLDER’S COSTS AND EXPENSES

If the Note Holder requires me to pay immediately in full and/or perform as described above, the Note Holder will have the right to collect from me for all of its costs and expenses incurred in enforcing the provisions of this Note and its other rights to the extent not prohibited by applicable law. These expenses may include reasonable attorney’s fees.

9. GIVING OF NOTICES

(a) Any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property address above.

(b) Any notice that is to be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in paragraph 3(d) above or at a different address, if I am given notice of that different address.

10. WAIVERS

I waive the right of presentment. "Presentment" means presenting the note to the maker and demanding payment of amounts due.

11. GOVERNING LAW; SEVERABILITY

The provisions of this Note shall be governed by federal law. In the event that any provision or clause of this Note conflicts with applicable law, such provision shall not affect other provisions of the Note which can be given effect without the conflicting provision. To this end, the provisions of this Note are declared to be severable. If any provision of this note, or the application thereof to any person, place or circumstance shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Note and other such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

(Borrower)

(Borrower)

[Include any required or customary form of authentication]

Enclosed are blank copies of the 2nd Note and Mortgage for GNND sales. Buyer Select Closing Agents must complete the 2nd Note and Mortgage prior to closing, have them signed by the buyer at closing, then return the signed original note and a signed copy of the 2nd mortgage that was filed for recording in the post-closing package. Instruction should be provided to the County Recorder's office to return the original recorded 2nd mortgage to our office at the following address:

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