

WHY SELL HUD HOMES

Cindy Bishop Worldwide, LLC
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HERE'S WHY!

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- Streamlined format
- Commission-
 - ▣ Earn up to 3% sales
Commission
 - ▣ Actually go to closing which is
a treat in a short sale
burdened market.

HERE'S WHY!

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- Streamlined format
- Commission-
 - ▣ Earn up to 3% sales Commission
 - ▣ Actually go to closing which is a treat in a short sale burdened market
- Specialization-
 - ▣ Niche Market

HERE'S WHY!

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- Streamlined format
- Commission-
 - ▣ Earn up to 3% sales Commission
 - ▣ Actually go to closing which is a treat in a short sale burdened market
- Specialization-
 - ▣ Niche Market
- Referrals-
 - ▣ Create Awareness
 - ▣ Sell more homes

HUD HOME BASICS!

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- HUD -
 - ▣ Department of Housing and Urban Development.

HUD HOME BASICS!

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- HUD -
 - ▣ Department of Housing and Urban Development.

- FHA Loan given to Borrow-
 - ▣ Home Owner Defaults

HUD HOME BASICS!

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- HUD -
 - Department of Housing and Urban Development.

- FHA Loan given to Borrow-
 - Home Owner Defaults

- Lender exercise insurance
 - HUD pays claim and receives Title

WHO CAN SELL HUD HOMES?

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- Any Licensed Real Estate Agent -
 - Who's Office is Registered.
 - Agent Registration (individual at www.Hud.gov/hudhomes)
 - Lead Broker to register first

WHO CAN SELL HUD HOMES?

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- Any Licensed Real Estate Agent -
 - Who's Office is Registered.
 - Agent Registration (individual at www.Hud.gov/hudhomes)
 - Lead Broker to register first
 - HUD requires each selling broker/agent to register as a bidder so HUD can confirm that you are using a valid NAID.
- Annual Renewal Required-
 - Notice is now Provided to address or email on file



HUD Homes

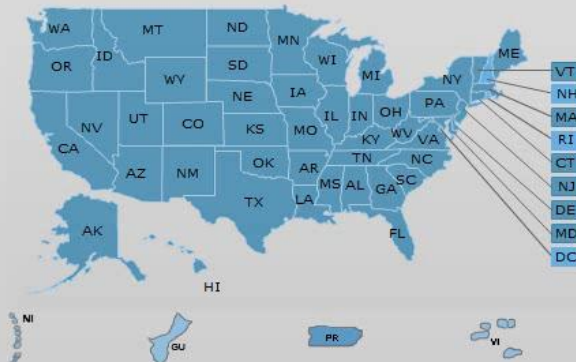


Search for a HUD home to purchase by doing one of the following:

- ▶ Click a state on the map to the right
- ▶ Click one of the HUD Special Program links below
- ▶ Enter more detailed criteria in the Search Properties area below and click Search

Click on one of the links below to see available properties for HUD Special Programs:

- ▶ [Good Neighbor Next Door](#)
- ▶ [Nonprofits](#)
- ▶ [\\$1 Homes-Government Sales](#)



Properties for Purchase: ■ Available ■ Not available

Search Properties

[Recent Listings](#)[Recent Searches](#)

*State	County	City	Zip Code	Street	Price From	- To	Bedrooms	Bathrooms
Select ▼	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Any ▼	Any ▼
Buyer Type	All ▼		Status	All ▼	Property Case #	<input type="text"/>		
						Search	Clear	

*Required field

> Resources

- [Current Sales Incentives](#)
- [HUD FAQ](#)
- [How to Buy a HUD Home](#)
- [HUD Terms And Acronyms](#)

- [Real Estate Glossary](#)
- [HUD-Approved Lenders](#)
- [Lead Hazard Information](#)
- [Fair Housing Information](#)

> HUD Information

- [HUD News](#)
- [HUD Communities](#)
- [Real Estate Statistics & Research](#)
- [Settlement Costs & Helpful Information](#)

> HUD Special Programs

- [Nonprofit Organizations](#)
- [Good Neighbor Next Door](#)
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- [NSP First Look](#)

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WHO CAN BUY HUD HOMES?

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- Owner Occupant or Investor –

WHO CAN BUY HUD HOMES?

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- Owner Occupant or Investor –

- Who:
 - ▣ Can Qualify For a Loan/Has Cash

 - ▣ Obtain Lender Letter/Cash Letter

 - ▣ Has Earnest Money

NSP

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It's a
BIG
Deal!

- NSP = National Stabilization Program
- Millions and Millions of \$\$ set aside for both private and government entities to buy homes
- Information available at www.hud.gov
- **Homebuyer Assistance**
- Homebuyers **cannot** receive assistance directly from HUD. NSP funds can be used to help homebuyers purchase homes, but they must contact an NSP grantee for application details. NSP operates on a national scale, but participation requirements may differ from one state or city to another. For information on how you may purchase a home with NSP assistance please contact an NSP grantee in your area. See [NSP Grantee Contacts](#) page for details at the HUD.gov site.

WHERE TO LOCATE HUD HOMES?

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- Multiple Listing Service

- www.Hud.gov/hudhomes

The HUD site has the most accurate and up to date information for the agent to follow.

WHO MANAGES HUD HOMES?

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- Field Service Management Company
 - ▣ Provides property management services

- Asset Managers
 - ▣ Oversees the marketing and contract processing

- Listing Agent
 - ▣ Lists properties for sale

SHOWING HUD HOMES?

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- Have your HUD keys:
 - ▣ HUD keys May Vary from State to State (various key codes)
 - ▣ Currently 6 Key's in Virginia
 - ▣ Combo boxes are used, but listing companies can use their electronic lockboxes as well. (Check with listing agents due to changes)

HUD updates at www.bishopteam.org

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REAL ESTATE TRAINING

Taking Serious Agents to the next level

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- » Class schedules by month
- » Accredited Classes
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- » Coaching
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- » HUD 4 hour training
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- » Prelicensing offerings
- » Short Sale's
- » Training instructor



Welcome to Real Estate Training for Serious Agents

The Real Estate Training Site is an educational site designed with both public and members-only area and content. This site is a great resource for those serious about having a sustainable money making business.

If you are not yet a licensed real estate agent and want to take a Pre-licensing course through our school, click here to register.

January 2011

S	M	T	W	T	F	S
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

[View All Events](#)

Within the private, members-only area, you'll find a comprehensive source of in-depth information, including hands on real estate development tools, products that will give you the confidence to work with consumers more successfully, instructional material for an endless supply of subjects designed to turn the real estate professional into a pro from proven experts, product ideas and suggestions, development tutorials, and much more - all for, and from, the view point of independent professionals.

Most of our members find they get a full return on their membership investment within the first few weeks, by taking advantage of the FREE downloads, trainings, and articles we offer.

SHOWING HUD HOMES?

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- Have your HUD keys:
 - HUD keys May Vary from State to State (various key codes)
 - Currently 6 Key's in Virginia
 - Currently, listing companies are utilizing combo or electronic lockboxes.
- **HUD Homes are Sold "AS-IS"**
- **Utilities are Normally off**

SHOWING HUD HOMES?

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- Condition/Financing:
 - IN - Insured
 - IE - Insured with a Repair Escrow
 - UN – Uninsured

SHOWING HUD HOMES?

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- Condition/Financing:
 - IN - Insured
 - IE - Insured with a Repair Escrow
 - UN – Uninsured
- HUD Condition reports
 - Condition
 - LBP
 - Environmental

SATURDAY, JANUARY 15, 2011

HUD.GOV

U.S. Department of Housing and Urban Development

Secretary Shaun Donovan



Connect with HUD



Busque Información en Español

[Site Map](#) [A-Z Index](#) [Text](#) [A](#) [A](#) [A](#)

[HOME](#) [PRESS ROOM](#) [MULTIMEDIA](#) [STATE INFO](#) [PROGRAM OFFICES](#) [TOPIC AREAS](#) [ABOUT HUD](#) [RESOURCES](#) [CONTACT US](#)

Quick Links

Use our quick links directory to access HUD information from one location.

[1](#) [2](#) [3](#) [4](#) [5](#)


HUD Photo

Print Friendly Version

Making Home Affordable



Help for America's Homeowners

HUD Implementation of the Recovery Act


[HUD.GOV/Recovery](#)

Federal Housing Administration

Insuring More Than 37 Million Mortgages Since 1934



I Want to

- ▶ [Buy a Home](#)
- ▶ [Avoid Foreclosure](#)
- ▶ [Talk to a Housing Counselor](#)
- ▶ [Find Rental Assistance](#)
- ▶ [Apply for a Grant](#)
- ▶ [Find information by audience group](#)
- ▶ [Learn about reverse mortgages for seniors](#)
- ▶ [File a Fair Housing Discrimination Complaint](#)
- ▶ [Access Quick Links](#)
- ▶ [Apply for a Job](#)

Blog

Thursday, January 13, 2011

Making Our Homes Safe and Healthy

Featured News

Thursday, January 13, 2011

HUD Awards \$127 Million in Grants to Protect Thousands of Children from Lead and other Home Hazards

Thursday, January 6, 2011

HUD, HHS Announce Joint Effort to Assist Nearly 1,000 Non-elderly Persons with Disabilities to Move from Institutions to Independence

Tuesday, January 4, 2011

FHA Issues Guidance for Reverse Mortgage Borrowers and Lenders Dealing with Outstanding Property Tax and Insurance Debts

In Focus

SHOWING HUD HOMES?

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- Prepare The Buyer:
 - ▣ Earnest Money Deposit
 - ▣ Lender Up-Front Fees?
 - ▣ Money for Inspections
 - Home Inspection, Utilities, Winterization, Well & Septic
 - ▣ Replace Lock at Settlement
 - ▣ Selection of Settlement Attorney

Earnest Money policy Matt Martin

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IMPORTANT NOTICE

IF YOUR OFFER HAS BEEN ACCEPTED AS THE WINNING BID, PLEASE SEND THE SIGNED CONTRACT, ALL ADDENDA AND THE ORIGINAL EARNEST MONEY DEPOSIT (PAYABLE TO HUD) TO THE ADDRESS LISTED BELOW – ENTIRE CONTRACT PACKAGE MUST BE RECEIVED WITHIN TWO (2) BUSINESS DAYS OF OFFER ACCEPTANCE.

PLEASE NOTE THAT THE EARNEST MONEY DEPOSIT IS ONE PERCENT (1%) OF THE SALES PRICE, WITH A MINIMUM DEPOSIT OF \$500.00 AND A MAXIMUM DEPOSIT OF \$2,000.00

MATT MARTIN REAL ESTATE MANAGEMENT, LLC.

535 PENNSYLVANIA AVENUE, STE 350

FORT WASHINGTON, PA 19034

ATTN: CONTRACT REVIEW

PLEASE CALL 888-632-4484 IF YOU HAVE ANY QUESTIONS

THE BIDDING PROCESS! Owner Occupants

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- Fifteen (15) Day Simultaneous Bid:
(In and IE), then daily.
- Total 30 days exclusive period
- Owner Occupants Only
- Simultaneous bidding-No preference to being First for daily, weekend, and first bid period
- Uninsured exclusive 5 day period which is a simultaneous bid period.
- Highest Acceptable Net Wins

THE BIDDING PROCESS! Investors

25

- Bid Deadline:
 - ▣ After 1st 30 day simultaneous period(IN and IE)
 - Investors 30+ days on market, daily bid(IN and IE)
 - Uninsured properties daily bidding begins after 5 initial days on market.

THE BIDDING PROCESS!



HUDHomestore.com

Login Register
» Public
» Bidder

Home HUD News Resources NAID Registration Find a Broker Property Contacts FAQ

Property Details

Case Number: 541-161409

[Back to Search Results](#)

Property Info Addendums Maps Agent Info



Property Information

Address: 129 GREEN ACRES AVE
RICHMOND, VA 23224
RICHMOND CITY COUNTY

Appraisal Date: 02/23/2010

Bed/Bath: 3/1

Total Rooms: 6

Square Feet: 1047

Year: 1959

Property Design: Ranch

Parking:

HOA Fees: \$0

Bid Information

List Date: 09/10/2010

List Price: \$42,000.00

As-Is Value: \$60,000.00

FHA Financing: IE (Insured Escrow)

203K Eligible: Yes

Repair Escrow: \$650

Review PCR for Repair Escrow Items

PCR=
Property Condition Report

Initial List date

Appraised Value

Repair escrow for FHA loans only

First Time BUYER? Find a Broker

HUD registered BIDDER? Submit an Offer

THE BIDDING PROCESS!

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- IMPORTANT TO REMEMBER:
 - ▣ Highest Acceptable Net to HUD Wins
 - HUD does Counter Offers
 - HUD will Contact Back-Ups
 - Owner Occupants bids override Investors typically

 - ▣ HUD Homes are Sold with Marketable Title
 - Buyer not Responsible for Past Owners Debts

WRITING AN OFFER!

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- HUD Does Not Use Association addendums and contracts Forms
 - Except for forms you must use like the brokerage disclosure. You will supply a copy if you are the winning bid and must turn in the HUD paperwork.

WRITING AN OFFER!

29

- HUD Does Not Use Association addendums and contracts Forms
 - ▣ Except for forms you must use like the brokerage disclosure. You will supply a copy if you are the winning bid and must turn in the HUD paperwork.

- HUD Has Created Their Own Contract & Addenda

WRITING AN OFFER!

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- HUD Does Not Use Association addendums and contracts Forms
 - ▣ Except for forms you must use like the brokerage disclosure. You will supply a copy if you are the winning bid and must turn in the HUD paperwork.
- HUD Has Created Their Own Contract & Addenda
- You Are Responsible to Have the Purchaser Sign All State Required Disclosures

Tips on Contract

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- Always use BLUE ink for the signatures and initials on the contract and addendum forms
- No Electronic signatures allowed by HUD at this time
- Have buyer sign the back side, page 2, of the main HUD contract
- Latest word: Inspections: Contact asset manager or FSM to find out utility activation policy. Remember, the buyer must turn the utilities on at their expense and in their name prior for the date of the inspection.
- Earnest Money Deposit is made out to HUD or Selling Broker, be sure to ask, and either a copy is sent with the accepted offer or the original check if made out to HUD

Where to submit a bid: Step 1

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Case Number: 541-760945

Eligible Bidders: All Bidders
Bid Submission Deadline: Daily at Midnight CST
Bid Submission Time Remaining: 11 Hours 53 Minutes

 [Print Property Flyer](#) | [Back to Search Results](#)

Property Info

Addendums

Maps

Agent Info



Property Information

Address: 27 RIFLEMAN LANE
WINCHESTER, VA 22601
WINCHESTER CITY COUNTY

Appraisal Date: 11/02/2010

Bed/Bath: 3/2.00

Total Rooms: 6

Square Feet: 1332

Year: 1996

Property Design:

Parking: Garage

HOA Fees: \$0

Listing Information

List Date: 01/14/2011

Listing Period: Extended

Period Deadline: 5/26/2011 11:59:59 PM CST

List Price: \$178,000.00

As-Is Value: \$178,000.00

FHA Financing: IN (Insured)

203K Eligible: Yes

Repair Escrow: \$0

First Time
BUYER?

[Find a Broker](#)

HUD registered
BIDDER?

[Submit an Offer](#)

Bid submission: Step 2

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NAID Verification For Selling Brokers, Nonprofits, Or Government Organizations

This is the starting point for placing a bid on a HUD Home. To place a bid, you need a NAID. NAIDs (a HUD term for Name Address Identifier) are issued to Real Estate professionals and various Nonprofit and Government organizations to enable them to place bids on HUD homes. Individuals should use the "Find a Broker" link above to find a Selling Broker who can make a bid on their behalf. Selling Brokers should first have their principal broker register the organization's NAID with HUDHomestore.com. After this initial registration, individual selling agents and associate brokers can register their license numbers with HUDHomestore.com

Case Number: 541-760945

[Back to Property Details](#)

Eligible Bidders: All Bidders
Bid Submission Deadline: Daily at Midnight CST
Bid Submission Time Remaining: 11 Hours 49 Minutes

Property Information

Address: 27 RIFLEMAN LANE WINCHESTER, VA 22601
WINCHESTER CITY COUNTY

List Price: \$178,000.00

The following can submit a bid on this property:

- HUD-Registered Selling Brokers
- HUD-Registered Government Agencies
- HUD-Registered Nonprofits

* NAID Type:

* NAID:

Type the characters you see in the picture below. (Characters are case-sensitive)



[Try a new code](#)


Verify NAID



Bid submission: Step 3

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Bid Submission

 [Click here to see a short video on Entering a Bid.](#)


HUD Case Number: 541-760945
Address: 27 RIFLEMAN LANE WINCHESTER, VA 22601
WINCHESTER CITY COUNTY


Sale Type: IN (Insured)
List Price: \$178,000.00

1. Purchaser(s) agree to purchase on the terms set forth herein, the following property, as more particularly described in the deed conveying the property to the Secretary of Housing and Urban Development.
3. * The agreed purchase price of the property is: \$
4. * Purchaser is:
 - applying for HUD/FHA insured financing 203(b) involved.
 - applying for HUD/FHA insured financing 203(k) involved.
 - paying cash, or applying for conventional or other financing not involving HUD/FHA
5. * Seller will pay reasonable and customary costs, but not more than actual costs, nor more than paid by a typical Seller in the area, of obtaining financing and/or closing (excluding broker's commission) in an amount not to exceed: \$
- 6a. * Upon sales closing, Seller agrees to pay to the broker identified below a commission (including selling bonus, if offered by the seller) of: \$
- 6b. * If broker identified below is not the broad listing broker, broad listing broker will receive a commission of: \$
7. The net amount due Seller is (Purchase price [item 3], less Items 5 and 6) \$
8. * Purchaser is:

Bid submission: Step 3


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8. *** Purchaser is:**
- Owner-Occupant (will occupy this property as primary residence)
 - Investor
 - Nonprofit Organization (should be an HUD approved Non Profit Agency)
 - Other Government Agency
- 

10. *** If seller does not accept this offer. Seller**
- may hold such offer as a back-up to accepted offer
 - may not hold such offer as a back-up to accepted offer
- 

11. Purchaser Information

Primary Purchaser Information

- * Purchaser Is A: Individual Business
 - * SSN/EIN Number:
 - * Confirm SSN/EIN Number:
 - Company Name:
 - * First Name:
 - * Last Name:
 - * Address:
 - * City:
 - * State:
 - * Zip Code:
- 

Secondary Purchaser Information

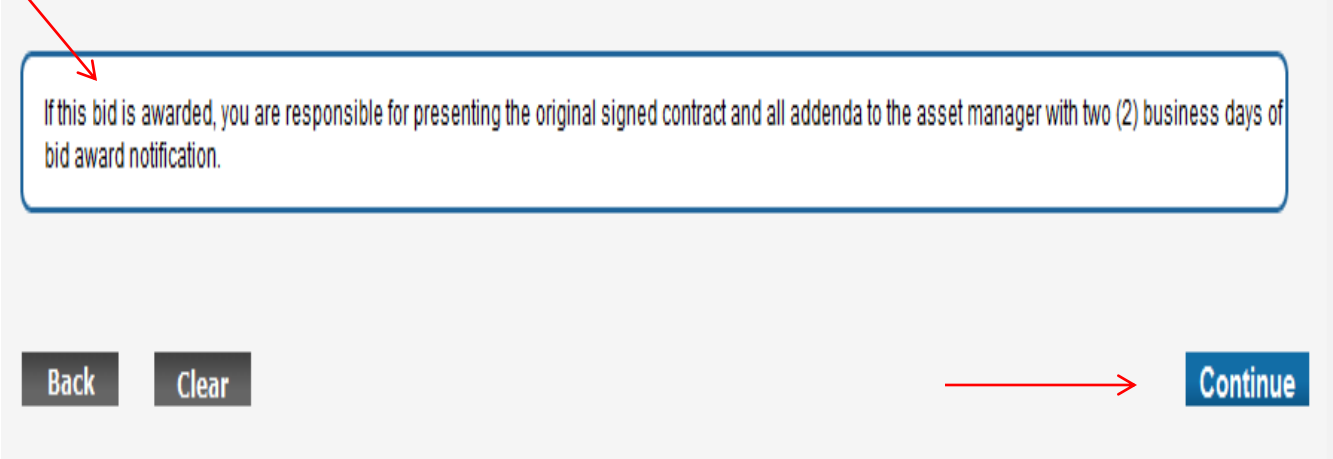
- SSN/EIN Number:
- Confirm SSN/EIN Number:
- First Name:
- Last Name:
- Address:
- City:
- State:
- Zip Code:

Selling Agent Information

- Last Name:
- First Name:
- Real Estate License:

Bid Submission: Step 4

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If this bid is awarded, you are responsible for presenting the original signed contract and all addenda to the asset manager with two (2) business days of bid award notification.

The screenshot shows a light gray background with a blue-bordered text box containing the instruction. Below the text box are three buttons: 'Back' (dark gray), 'Clear' (dark gray), and 'Continue' (blue). A red arrow points from the top left to the text box, and another red arrow points from the 'Continue' button to the right.

Back

Clear

Continue

Complete all contract paperwork and have the Earnest Money Deposit in the form of a Cashiers Check prior to submitting a bid.
Keep a copy of the confirmation receipt.

HUD.GOV/HUDHomes

U.S. Department of Housing and Urban Development



Home HUD News Resources NAID Registration Find a Broker Property Contacts FAQ

HUD Homes

Search for a HUD home to purchase by doing one of the following:

- ▶ Click a state on the map to the right
- ▶ Click one of the HUD Special Program links below
- ▶ Enter more detailed criteria in the Search Properties area below and click Search

Click on one of the links below to see available properties for HUD Special Programs:

- ▶ [Good Neighbor Next Door](#)
- ▶ [Nonprofits](#)
- ▶ [\\$1 Homes-Government Sales](#)



Properties for Purchase: ■ Available ■ Not available

Search Properties

[Recent Listings](#) [Recent Searches](#)

*State	County	City	Zip Code	Street	Price From - To	Bedrooms	Bathrooms
VA <input type="text"/>	<input type="text"/>	<input type="text"/>	22407 <input type="text"/>	<input type="text"/>	<input type="text"/> - <input type="text"/>	Any <input type="text"/>	Any <input type="text"/>
Buyer Type	All <input type="text"/>		Status	All <input type="text"/>	Property Case # <input type="text"/>	Search Clear	

*Required field, except if Property Case # is entered

» Resources

- [Current Sales Incentives](#)
- [HUD FAQ](#)
- [How to Buy a HUD Home](#)
- [HUD Terms And Acronyms](#)

- [Real Estate Glossary](#)
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- [Nonprofit Organizations](#)
- [Good Neighbor Next Door](#)
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HUD Contractor sites for Asset Managers

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You can also find HUD information 2 ways:

#1

www.bishopsteam.org

then “HUD updates” on the left under Training.

#2

Links on bottom of HUDhomestore.com

www.Hometelos.com

www.oforireo.com

www.mmrem.com

OFFER ACCEPTED!

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- Forms to Overnight to Asset Manager
 - ▣ Sales Contract (Form 9548)
 - ▣ Addendums listed with property at www.HUD.gov/hudhomes
 - ▣ LBP Addendum/Built Prior to 1978, if applicable
 - ▣ Original EMD made out to HUD or selling agent. If selling agent, then copy of EMD along with offer paperwork.
 - ▣ Copy of Lender Letter

OFFER ACCEPTED!

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- Required State disclosures the Buyer signs for you now have to be submitted; such as, agency disclosure.
- Not Buyer Brokerage Agreement!

OFFER ERROR!

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- Errors will require correction:
 - ▣ Withdrawal could result

- Acceptance Letter
 - ▣ Read thoroughly

Conditional Bid Acceptance email

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11/17/11 9:35 AM



EXAMPLE

P260 - HUD - Bid Acceptance Notice - Case Number

1 message

do-not-reply@hudhomestore.com <do-not-reply@hudhomestore.com>
To: ALEXBELCHERMDR@gmail.com, KATHYMDR@gmail.com

Matt Martin Real Estate Manage
535 Pennsylvania Ave Suite 350
Ft. Washington, PA, 19034
Telephone # [\(888\) 632-4484](tel:(888)632-4484)
Fax # [\(267\) 460-6066](tel:(267)460-6066)

BID ACCEPTANCE NOTIFICATION
(PLEASE DO NOT RESPOND TO THIS EMAIL AS IT IS NOT MONITORED)

Bid Date September 21, 2011
Confirmation #:
Selling Broker: MDCRRL9552 - Macdoc Realty Lic
Agent Name: Alex Belcher
Email: alexbelchermdr@gmail.com
Phone #: [\(540\) 412-8805](tel:(540)412-8805)
Fax #:
Buyer Name:

HUD Case#:
Address:
September

Congratulations, your bid to purchase HUD property
and approval of original required documents listed below:

has been provisionally accepted subject to receipt

1) Sales Contract

The forms in original (faxes are not accepted) for the completed Sales Contract and the necessary addenda must be received within two business days of date the bid was accepted. Contracts not received by due date or packages containing errors and/or omissions may be canceled and property put back on the market.

Sincerely,

Matt Martin Real Estate Manage Sales Department

Lawyers Advantage page 1 of 4 Buyer letter example

LAWYERS ADVANTAGE TITLE GROUP



582 Lynnhaven Parkway; Suite 101
Virginia Beach, VA 23452

TELEPHONE: (757) 213-0900
FASCIMILE: (757) 213-0914

November 17, 2010

Buyer address

RE: *Address*

Dear Purchaser(s):

Congratulations on your successful bid for purchase of the above-referenced property. Lawyers Advantage Title Group represents the Department of Housing and Urban Development ("HUD") as Settlement Agent for the above referenced property.

This office prepares all closing documents and conducts the settlement. **HUD pays us the settlement fee that is normally charged to you on line 1101 of the HUD-1.** Please be advised that should you choose to hire an attorney or Settlement Agent other than Lawyers Advantage Title Group **you will be responsible for all fees charged by that attorney or Settlement Agent.** Line 5 monies on the HUD contract cannot be used to pay another attorney or settlement agent's fees.

Closing Locations: If the property is in the Tidewater area, the settlement will be conducted in our Virginia Beach Office. In all other areas, **we will make every effort to accommodate you as to the location of the settlement.**

Lawyers Advantage page of 4 Buyer letter example



Settlement Funds: **A Wire is required for any amounts due from you at settlement.** If you are obtaining financing, check with your lender to determine funds needed at settlement.

Settlement Date: Please have your agent notify us in writing at least 7 business days in advance of the date you wish to close.

Power of Attorney: Should you have someone signing on your behalf by power of attorney, the Power of Attorney must first be approved by Lawyers Advantage Title Group and HUD; no exceptions.

NOTE: NO REPAIRS ARE ALLOWED PRIOR TO CLOSING. IF A YOU OR YOUR AGENT ORDER(S) A PEST INSPECTION OR TREATMENT IT WILL BE AT YOUR COST.

PLEASE NOTE THAT HUD DOES NOT SUPPLY KEYS TO THE PROPERTY. IT IS YOUR RESPONSIBILITY TO HAVE NEW KEYS MADE ONCE THE SETTLEMENT HAS BEEN CONDUCTED.

Prior to our receipt of the loan closing instructions your file will be handled by the undersigned. Please call me with any questions.

Lawyers Advantage Title Group

BY: _____



INFORMATION SHEET: IMPORTANT – PLEASE READ

RE:

1. **Closing Date:** This office makes every effort to close the loan as soon after the receipt of a new contract as possible. In addition to the ten (10) day processing time our office is allowed, if settlement is to be conducted by an outside settlement agent, it is your responsibility to have them provide a Letter of Representation to this office within 2 days of contract acceptance. We require written notice of settlement **seventy-two (72) hours** in advance with the date and time of closing so that we are able to have a representative attend the settlement.
2. Please be advised that if the closing has to be rescheduled through no fault of the seller or our office, we reserve the right to charge a \$75.00 re-processing fee.
3. **A LOAN WITH UNDERWRITING CONDITIONS IS NOT CONSIDERED AN APPROVED LOAN.** If underwriting conditions appear on the final loan closing instructions, the closing must be rescheduled until such time as the underwriting conditions are met.
4. **Extensions:** If settlement does not occur within the time period as set forth in Paragraph nine (9) of the sales contract, you will need to pay a fee and request a fifteen (15) day extension. A completed Extension Request must be submitted to our office at least **five (5) business days** prior to the contract expiration. It is, therefore, to your advantage to keep in close contact with your lender and real estate agent to make sure they are expediting the completion of all required tasks. HUD allows our firm ten (10) days from unconditional loan approval to close on the property. We will expedite settlement, however, please be advised that some loans, such as VHDA or 203K loans, may require the full ten (10) days to prepare.
5. **Closing Locations:** If the property is in the Tidewater area, the settlement will be conducted in our Virginia Beach Office. In all other areas, **we will make every effort to accommodate you as to the location of the settlement.**
6. **Settlement Funds:** **A wire is required for any amounts due from you at settlement.** Due to the nature of real estate transactions, the exact figures are not always available in advance to enable you to wire funds for the exact amount. If we are unable to provide you with an exact figure to wire, then you will need to wire funds to close in the amount of your down payment plus an estimated amount for your settlement costs. Any overage in the check amount will be refunded to you.
7. **Title Insurance:** If you are obtaining a new loan from an institutional lender, the lender will require you to obtain a title insurance policy to protect the lender against, among other things, any possible defects which were not revealed during the title search. Owner's title insurance, which will protect your interest in the property, is also available and is highly recommended. It is not required as a condition to obtain the loan. **Owner's title insurance is recommended in ALL purchase transactions.**
8. **Surveys:** If you are obtaining a new loan, the lender may require a new survey of the property. Surveys are not required for closing where the purchase price is paid in cash, however **surveys are always recommended in every purchase transaction.**



9. **203K Loans:** If you are rehabilitating your home through the 203K program, please be advised that all title insurance companies require that a Mechanic's Lien Agent be appointed. This means that there is substantially more work to prepare for the settlement. Therefore, additional fees will be charged to you. At a minimum, the lender will charge additional loan, lender inspection and escrow fees. Our additional settlement fee for this is \$150.00 and \$50.00 for each draw. You will also need to obtain a Mechanic's Lien Agent prior to settlement. At least ten (10) days prior to settlement please provide notice to our office as to the name and telephone number of the Mechanic's Lien Agent. We are unable to prepare a title binder until we receive notification that this appointment has been made and accepted. **Failure to notify us of the Mechanic's Lien Agent will delay settlement.**
10. **Cash Closings:** Please have your agent notify us in writing at least 7 business days in advance of the date you wish to close. Please notify the undersigned if you desire owner's title insurance.
11. **Condominium and Homeowner's Associations:** Please ask your agent if the property you are purchasing is in a community that has mandatory Homeowner's or condominium dues so that you may review the disclosure statement prior to settlement.
12. **Required Documents:**
- a. **The Marketing and Management Company, Harrison, Moran and Barksdale, Inc. will order a Wood Destroying Organism inspection prior to listing as a courtesy to the potential buyer. Approved treatment will be at HUD's expense. A termite/WDO clearance report will be provided by HMBI prior to closing. Please contact Amanda Best at HMBI (703-908-4803).**
- IF YOU OR YOUR AGENT ORDER(S) AN INSPECTION OR TREATMENT IT WILL BE AT YOUR COST.**
- b. **Hazard Insurance:** If you are obtaining a new loan, a hazard insurance policy which protects the lender is required. Even if no lender is involved, you should obtain adequate hazard insurance to protect your real and personal property. You must provide us with the insurance agent's name and telephone number at least **five (5) days prior to settlement**. The policy binder and a paid receipt must be provided to us at **least two (2) days prior to settlement**.



HUD CLOSING INFORMATION SHEET

FAX TO 757-213-0914

RE:

File Number: VA12273

**WE WILL NOT SCHEDULE A SETTLEMENT UNTIL ALL REQUIRED ITEMS
HAVE BEEN RECEIVED IN OUR OFFICE**

HAZARD INSURANCE:

Agent: _____ Phone Number: _____
(Purchaser must make initial contact to provide personal information.)

LENDER:

Company Name: _____
Loan Officer: _____ Phone Number: _____

CONDOMINIUM/HOMEOWNER'S ASSOCIATION:

Is the property in a PUD? _____ YES _____ NO

If Yes, Name of Association: _____
Phone Number: _____
Cost of Resale Package: \$ _____

**HUD WILL NOT REIMBURSE YOU FOR THE INSPECTIONS,
CONDO/HOMEOWNER'S DUES OR RESALE PACKAGE UNLESS WE
RECEIVE A COPY OF THE RESALE PACKAGE RECEIPT IN ORDER TO
SUBMIT TO THE MARKETING AND MANAGEMENT COMPANY PRIOR TO
SETTLEMENT.**

Purchaser's Marital Status:
_____ Husband and Wife _____ Single _____ Married

Social Security Numbers:
Name and SS#: _____
Name and SS#: _____

Telephone #s: (Home) _____ (Work) _____

Requested Closing Date: _____



FILE: VA12273

TENANCY SELECTION FORM

PURCHASER(S)

PROPERTY ADDRESS:

Listed below are various forms of tenancy commonly used. Please designate how Purchaser(s) will be holding title and we will forward this information to the attorney designated to prepare the legal documents.

_____ Tenants by the Entirety

Only husband and wife may hold title as tenants by the entirety. Should one spouse predecease the other, title to the property vest in the survivor by operation of law. A lien or judgment filed against only one spouse will not attach as a lien on the property with the exception of a Federal Tax Lien.

_____ Joint Tenants with Right of Survivorship

Any two or more persons may hold title in equal shares. Should any one owner predecease the other owner(s), his/her fractional interest automatically vests in the survivor(s). A lien against any one owner will be a lien against the property.

_____ Tenants in Common

Any two or more persons may hold title. Each person has an undivided fractional interest in the property. In the event of an owner's death, his/her interest will vest in the heirs or devisees. NOTE: Husband and wife may hold their undivided fractional interest as Tenants by the Entirety with other owners holding title as to their undivided fractional interest with another tenancy.

_____ Individual ownership

Title is conveyed to only one owner.

If Tenants in Common, please indicate percentage interest to be conveyed to each party below.

Buige et al

Title Company response to Lawyers Advantage violation to "Buyer Choice" laws



25 Fleet Rd. Fredericksburg, VA 22406
540-752-1121 • Fax #571-766-2650

www.blueandgraytitle.com

Via facsimile 757-213-0914
November 22, 2010

Lawyers Advantage Title Group

Re: 13417 Elnora Brooks Lane, Spotsylvania, VA 22553

We are in receipt of your letter dated November 17, 2010 regarding the purchase of the property located at 13417 Elnora Brooks Lane, Spotsylvania, VA 22553.

Your letter states that if our client chooses to select a settlement agent other than Lawyers Advantage Title Group that his fees will not be paid. Specifically, your letter states "Line 5 monies on the HUD contract cannot be used to pay another attorney or settlement agent's fees."

This provision is in direct violation of Section 55-525.22 (effective October 1, 2010) which states that the buyer has the right to select the settlement agent for his transaction and that the seller may not require use of a particular settlement agent as a condition of the sale of the property. A penalty for the Buyer exercising his own right to counsel/settlement agent in a real estate transaction appears to violate Congressional intent when requiring use of the new HUD-1. One of the intents of the new HUD-1 was transparency of fees and allowing the consumer to "shop around."

We have contacted the State Corporation Commission's Property and Casualty Insurance Consumer Services Division and will be providing them copies of your letter, in light of Virginia's "buyer choice" laws.

Please advise us of any statute or regulation of HUD that imposes such a penalty on the purchaser as stated in your letter. Otherwise, Blue & Gray will be representing Baha Zayed without any penalty to him.

Once I have received title work, I will forward to you for deed preparation, etc.

If you should have any questions, please do not hesitate to contact me directly.

Please refrain from contacting my customers from this point forward, all correspondence should go through me directly.

We look forward to another successful closing.

Sincerely,

Michelle Bohn

Enclosures: 11/17/2010 Lawyers Advantage Letter

To Closing We Go!

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- The Players:
 - ▣ Asset Manager
 - Contract with HUD
 - ▣ Listing Agent
 - Sub-Contractor to Asset Manager
 - ▣ Settlement Company Contractor
 - Contract with HUD

To Closing We Go!

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- Things to do First after Acceptance:
 - ▣ Loan Application (full)
 - ▣ Schedule Home Inspection
 - Utility Activation Form varies)
 - Schedule Utilities
 - ▣ FHA Appraisal (obtain if FHA loan used)
- Remember the Letter
 - ▣ Settlement Attorney

To Closing We Go!

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- After Home Inspection Contingency Ends:
 - ▣ Well & Septic Inspections
 - ▣ Termite report (request or order)
 - ▣ Loan Status

- Walk through
 - ▣ Prior to Settlement

Settlement!

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- Anti Climatic:



VISIT OUR MEMBER SITE @
BISHOPTEAM.ORG

info@BishopTeam.org

Cindy Bishop WorldWide, LLC

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