



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

Single Family Acquired Asset
Management System (SAMS)
Buyer Select Closing Agent

For properties identified for the "Buyer Select" closing agent program, the buyer will chose their own Escrow / Settlement Company. HUD will not pay the escrow fee. The purchaser will be the responsible 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 RAINE 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

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 is 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:

Signature

For Agency Use Only:
Processed By Date: APPROVED DENIED

Closing Instructions And Certification



The following are **general** instructions and may not provide all disclosures for sales under special programs or circumstances. The selected closing entity must read this certification thoroughly and acknowledge prior to the contract being executed for the specified property.

HUD CASE NUMBER: _____

PROPERTY ADDRESS: _____

BUYER'S NAME: _____

As settlement/title company/agent, you must adhere to the following closing instructions to close this sale between the US Department of Housing and Urban Development (HUD) and the buyer identified on the attached executed sales contract. If you are unable to perform these tasks within the required time frame (as defined on line 9 of the HUD Form 9548), please notify the buyer's Real Estate agent immediately.

As the settlement agent/title company, you must meet all **applicable** local and state standards as well as those required by HUD. (See "Standards for Acceptable Closing Companies" contained in this document)

You must close this sale for only the buyer(s) identified on the executed sales contract, or amendment/addendum which has been executed by the buyers and RAINe.

EARNEST MONEY: RAINe will **NOT** include the earnest money with the fully executed sales contract. The earnest money will be delivered within (2) business days of receiving the executed salescontract from the Listing Broker. If you do not receive the EM please notify RAINe by the (3rd) third day.

REAL ESTATE TAXES: Real estate taxes for the current year shall be pro-rated **to** the date of closing. HUD will only pay for taxes currently due and will not pay or reimburse any party after closing if real estate taxes are reassessed by local government.

HOMEOWNER ASSOCIATION (HOA) FEES/DUES: HUD will pay for HOA fees/dues pro-rated from the date of HUD's ownership **to** the date of closing. HUD will only pay for HOA fees/dues that are the legal responsibility of HUD during its ownership in accordance with State Statutes .

RENTAL MONIES: You will be provided special instructions from RAINe in case the property is being purchased by a HUD approved tenant.

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SPECIAL PROGRAMS: HUD has a number of special programs, including the Good Neighbor Next Door (GNND) Sales program, in which the buyer receives a discount off the purchase price, as indicated on the executed sales contract.

Further, some sales such as those under GNND require a second Note and Deed of Trust/ Mortgage and/or a Land Use Restriction Addendum. If applicable to this sale, special instructions for the completion of those documents are attached or will be supplied by RAINÉ. Please contact RAINÉ if you do not receive these instructions.

For properties covered by an Asset Control Area (ACA) Agreement, RAINÉ will provide additional closing instructions.

CLOSING COSTS: HUD will pay up to the amount on Line 5 of the executed sales contract towards reasonable and customary closing costs and the amount shall be annotated on the HUD 1 in accordance with RESPA. Any unused portion will be credited to HUD's proceeds.

Closing Agent Fee: The purchaser is responsible for any and all closing fees up to the maximum allowed per State Law and Regulatory requirements. The buyer may apply amounts listed on line 5 of the sales contract for payment of closing fees.

Recording fees for the Special Warranty/Grant Deeds transferring ownership from HUD to the buyer as stated on the executed sales contract, for the second Note/ Deed of Trust, if required for special HUD programs, and for special addendums, if required, such as Land Use Restriction Addendum, are the expense of the buyer. This expense may be covered from funds on Line 5 of the executed sales contract. If the buyer did not request funds on line 5, the amount to cover the cost of recording shall be collected from the buyer at closing. The recording of the Deed may not be relinquished to any other party.

EXTENSION FEES: All requests for extensions must be submitted to RAINÉ for review and are not guaranteed. Fees must be made payable to HUD. Requests must include the appropriate extension request form, lender documentation or proof of funds and fee. There are instances in which a free extension may be granted. Additional information and instruction have been provided on the Forfeiture and Extension form.

SETTLEMENT DOCUMENT PREPARATION: You must accurately prepare the Preliminary HUD-1, ALTA, Closing Disclosure, or Settlement Statement and provide it to RAINÉ five (5) business days in advance of the scheduled closing date for their review, approval, and return prior to closing. This can be accomplished electronically.

DEED PREPARATION: You must prepare a Special Warranty or Grant Deed (where applicable) and provide it to RAINÉ along with the Closing Disclosure, Settlement Statement, ALTA, or HUD-1 for review. RAINÉ will execute, notarize, and return an original Deed via two-day delivery.

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WIRE PROCEEDS: You must wire HUD's proceeds to the US Treasury via FEDWIRE the day of but not later than the next available banking day after closing, ensuring the amount matches that of the executed closing documents. RAINÉ will provide specific wiring instructions, including the form to be used. **The case number shown on the sales contract package MUST be included on the wire for the funds to properly posted in HUD's system of record.**

DEED RECORDING: You must ensure the deed is delivered for recording to the appropriate county recorder's office no later than one (1) business day after closing.

NOTIFICATION OF CLOSING: You must notify RAINÉ via email on the day the closing has or has not occurred.

CLOSING PACKAGE: You must deliver a complete closing package to RAINÉ not more than two (2) business days after the closing is completed. At a minimum, the post-closing package shall include the following:

- Final HUD-1 and the HUD 1 Certification;
- Copy of the wire of proceeds transfer confirmation;
- Evidence that the deed was delivered for recording;
- Copy of any invoice HUD paid at closing;
- Copy of disbursement log, accounting for all incoming and outgoing funds related to this transaction.

Additional information and instruction on a complete final package will be provided by RAINÉ after contract execution.

CANCELLED SALE: If a sale is canceled and not immediately rescheduled, the deed must be returned to RAINÉ within two (2) business days of the original scheduled closing date. If the sale does not close on the scheduled date, notify RAINÉ immediately via email as to the date the closing is rescheduled or if it has been canceled.

If the sale has not been rescheduled or is canceled, the Closing Company shall scan the original of the signed deed, marked VOID in large letters across the front, and electronically deliver it to RAINÉ no later than the second business day after a closing is cancelled. The original document will then be mailed to RAINÉ that same day, along with the earnest money deposit and extension fees that are in your possession.

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FORFEITED EARNEST MONEY: Comply with the earnest money forfeiture policy that was signed by the buyer(s) and is part of the executed sales contract package. Earnest money forfeitures are to be sent to RAINE, payable to HUD, within 3 business days of the earnest money disposition issued by RAINE or expiration of the contract whichever shall occur first.

HUD, nor RAINE, will be responsible for paying a cancellation fee, if the sale does not close and the contract is cancelled, regardless of reason. Cancellation fees may not be deducted from the earnest money or any other funds held by the closing agent.

STANDARDS FOR ACCEPTABLE CLOSING COMPANIES

Buyer Selected Closing Companies (BSCC) must certify that they meet the following standards:

1. A BSCC must be an attorney, title company, or escrow company. In addition, any BSCC must meet all requirements of state and local laws for the applicable entity type (e.g., if the property is in a state that bans attorneys from conducting a closing, an attorney may not be used as a BSCC).
 - a. **Use of attorneys** - An attorney or law firm may act as a BSCC, provided that they are duly licensed to practice law in the state where the property is located and state law allows an attorney to facilitate Real Estate closings.
 - b. **Use of title companies** - A title company may act as a BSCC, provided that they are duly licensed to do business in the state where the property is located, and are regulated by the State Insurance Commission, or similar regulatory agency recognized by the State.
 - c. **Use of Escrow Company** - An escrow company may act as a BSCC, provided that they are duly licensed to do business in the State where the property is located and meet all state legal and regulatory requirements as a recognized and registered escrow company.
2. **Insurance and Closing Protection Letter requirement** - Any BSCC must be covered by Errors and Omissions Insurance of at least \$1,000,000. Title companies shall provide a Closing Protection Letter (CPL) when required to insure against any improper handling of HUD's proceeds or deed.
3. **Conflict of Interest** - A BSCC who has, or whose immediate family member, or business associates have, a financial interest in the property shall not be involved in the closing process. Financial interest includes having an equity, creditor, lender, or debtor interest in any corporation, trust, or partnership with a financial interest in the property.

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4. **Debarment or suspension** - No attorney, Title Company, Escrow Company, or BSCC, currently debarred, suspended, or otherwise excluded from participating in HUD transactions or federal programs, may participate in any aspect of the closing or title clearance process.
5. **Non-Discrimination** - No BSCC, employee, or person or entity otherwise authorized to act for a BSCC agent may act in violation of Title VIII of the Civil Rights Act of 1968 (the "Fair Housing Act" Title VIII or Public Law 90-284) or Executive Order 11063. BSCC's, their employees, and any person or entity otherwise authorized to act on behalf of a BSCC shall (1) refrain from discrimination on the basis of race, color, creed, religion, sex, sexual orientation, gender identity, marital status, national origin, age or handicap; (2) instruct their staffs in the policies of nondiscrimination and all applicable local, State, and Federal fair housing and non-discrimination laws.
6. **Failure to Abide by HUD's Closing Instruction** – Failure to adhere to HUD requirements or guidance may result in sanctions including, but not limited to civil money penalties or administrative action against any person, part, company, form, or business.
7. I fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts, and/or standards as applicable under the provisions of Title 18, United States Code, and Section 1001, etseq.

Closing Instructions And Certification



I, the undersigned, for myself and any business entity I represent, certify that I have read this document and can and will perform all the duties and tasks required by the terms of this document, and comply with all of the laws, regulations and standards specified in this document. I further understand and will comply with these instructions and requirements and any subsequently provided written instructions provided by HUD directly or RAINE, for the sales transaction named on the attached executed Sales Contract, and understand that my failure to comply with such instructions and requirements and/or perform such duties and tasks may subject me to sanctions, administrative actions, or civil money penalties.

Authorized BCSA Signature: _____  Date: _____

Printed Name with Title: _____

Telephone# _____ Email: _____

State License # _____ HUD Title ID (If known) # _____

HUD CASE NUMBER: _____

PROPERTY ADDRESS: _____

BUYER'S NAME: _____

Acknowledgement and certification of this document MUST be submitted with the sales contract or there will be a delay in execution. Once the contract has been executed, additional training information will be provided, including designated email addresses for RAINE.