

Closing Procedures

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*Loss Mitigation Leaders for Government and
Commercial Organizations*



Proprietary and Confidential

Closing Procedures

Once you have an accepted bid from HUD:

You need to submit your contract package **within 48 hours**. It must include:

- Original Sales contract signed by buyer and selling broker.
- All original signed HUD addendums
- Signed Lead Based Paint addendum if the property was built prior to 1978.
- Copy of mortgage approval letter
- Evidence of funds if not applying for a mortgage.
- Original earnest money check made out to HUD to be held by HUD's Closing Attorney.



Closing Procedures

- If corrections to the contract package are needed you have **48 hours** to get them in. If the corrections are **not** received in 48 hours the bid will be cancelled and offered to a back-up bidder.



Closing Procedures

Once a contract is signed, a copy is sent to the

- selling broker
- listing broker
- HUD's closing agent.

The contract period is up to 45 days to close.



Closing Procedures

- If the property is not going to close by the expiration date send a:
 - 15 extension request
 - The extension fee \$375.00
 - Documentation on the Lenders letter head of why the Lender needs the extra time must be submitted to HUD's Closing agent 5 days prior to the expiration date.



Closing Procedures

The closing agent must be given **10 days notification** to set up closing in order to prepare closing documents.

Please contact your MMREM Regional Office Center with any additional questions.



Thank You!



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