



# HUD-1 Settlement Statement Instructions

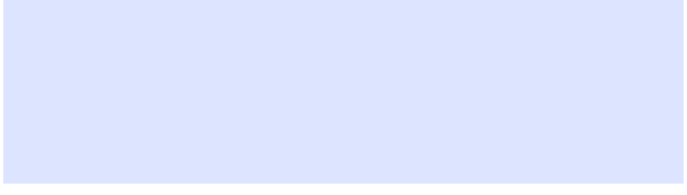


# Page 1: Type of Loan Section

## B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				
<b>C. Note:</b> This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					

- **Box 1 through 5:** Type of financing
- **Box 6:** File number or escrow number
- **Box 7:** Loan Number/New Loan Number
- **Box 8:** Old FHA Case Number entered here

# Page 1: Type of Loan Section (cont.)

D. Name & Address of Borrower: 	E. Name & Address of Seller: 	F. Name & Address of Lender: 
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- **Box D:** Self-explanatory
- **Box E:** Please input the following:  
The Secretary of Housing and Urban Development  
451 7<sup>th</sup> St SW, Washington, DC 20410
- **Box F:** Self-explanatory. Enter “cash” here for cash transactions

# Page 1: Type of Loan Section (cont.)

G. Property Location:	H. Settlement Agent:	I. Settlement Date:
	Place of Settlement:	

- **Box G:** FHA Case Number can be entered here along with complete property address
- **Box H:** Self-explanatory
- **Box I:** Enter the actual closing date. NOTE: It is the **start date** used for any prorations in the 400/100 sections, and is the **end date** for any prorations in the 500/200 sections. Buyers will be responsible for all charges incurred on this date and forward.

# Page 1: The 400's Section

<b>400. Gross Amount Due to Seller</b>		
401. Contract sales price		
402. Personal property		
403.		
404.		
405.		
<b>Adjustment for items paid by seller in advance</b>		
406. City/town taxes	to	
407. County taxes	to	
408. Assessments	to	
409.		
410.		
411.		
412.		
<b>420. Gross Amount Due to Seller</b>		

- This section reflects all Credits/Amounts due to HUD.
- Please note HUD uses 365 days per year system.
- **Line 404 or 405:** Enter extension fees charged to buyer on either of these lines.
- **Lines 406 through 412:** any credits/amounts due to HUD such as unused portions of charges paid by HUD in advance for taxes, utility, and HOA dues can be entered on these lines.

# Page 1: The 500's Section

<b>500. Reductions In Amount Due to seller</b>	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
<b>Adjustments for items unpaid by seller</b>	
510. City/town taxes to	
511. County taxes to	
512. Assessments to	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
<b>520. Total Reduction Amount Due Seller</b>	

- This section reflects all items unpaid by seller or amounts due from HUD
- **Line 506:** Prefer extension fee refund to be entered on this line, but can be entered anywhere in this section
- **Line 507:** Any applicable sales discount entered on this line
- **Line 509:** Repair escrow holdback fee/admin fee up to \$200, if applicable, entered on this line
- **Line 508 or 515:** Closing costs credit, if applicable, entered on either of these lines (see next 3 slides for list of allowable closing costs)
- **Lines 510:** Adjustments for City/Town taxes
- **Line 511:** Adjustments for County Taxes
- **Line 512:** Adjustments for Assessments unpaid by HUD
- **Lines 513 through 519:** All other unpaid items by HUD can be entered on any available line

# Page 1: The 500's Section (cont.)

- Closing costs credit cannot exceed 3% of the purchase price. If total financing and closing costs are less than 3%, HUD will only pay the actual costs charged, and will not credit the purchaser any difference in cash or a reduced purchase price.

# Page 1: The 500's Section (cont.)

- **Allowable Closing Costs include:**
  - Loan Origination Fee: 1% of purchase price, 1.5% on a 203(k) repair
  - Per Diem Interest
  - Credit Report: \$20 max
  - Loan Processing Fee: \$500 max
  - Underwriting Fee/Admin Fee: Please note this is escrow admin fee ONLY. Selling agent/brokerage admin fees are **NOT** allowed on the HUD-1 settlement statement.
  - Tax Service
  - Flood Certification
  - Flood Insurance



# Page 1: The 500's Section (cont.)

- **Allowable Closing Costs include:**
  - Home Inspection Report: \$250 max
  - Homeowner's Warranty: \$300 max
  - Homeowner's Insurance
  - Title Policy: Owner
  - Title Policy: Lender
  - Documentary Transfer Tax
  - Tax Impounds: up to 6 months
  - Hazard Insurance
  - Natural Hazards Disclosure
  - Mobile Notary/Signing Fee
  - Recording Fee

# Page 2: The 700's Section

<b>700. Total Real Estate Broker Fees</b>		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows :			
701. \$	to		
702. \$	to		
703. Commission paid at settlement			
704.			

- The commissions specified on ratified sales contract can be entered here.
- Please note that NO other amounts such as bonus, fee, or credit not specified on contract can be shown here or anywhere else on the HUD-1.

# Page 2: The 800's through 1200's Sections

- Please note that buyer is 100% responsible for closing agent fee or escrow fee on line 1101.

1100. Title Charges			
1101. Title services and lender's title insurance		(from GFE #4)	
1102. Settlement or closing fee	\$		
1103. Owner's title insurance		(from GFE #5)	
1104. Lender's title insurance	\$		
1105. Lender's title policy limit \$			
1106. Owner's title policy limit \$			
1107. Agent's portion of the total title insurance premium to	\$		
1108. Underwriter's portion of the total title insurance premium to	\$		
1109.			
1110.			
1111.			

# Page 2: The 1300's Section

1300. Additional Settlement Charges			
1301. Required services that you can shop for		(from GFE #6)	
1302.	\$		
1303.	\$		
1304.			
1305.			

- All other additional settlement charges can be entered here.
- Please note that most of the charges such as HOA dues, utility charges, and other miscellaneous charges require prior approval from BLB Resources to be paid on the HUD-1.