



Oregon
Post-Ratification Acknowledgement
of the EMD Forfeiture Policy

Purchaser(s) and Selling Agent must acknowledge the Earnest Money Deposit (EMD) Forfeiture and Extension Policy. Completed form should be submitted via facsimile to (949) 379-2896 or via email to 6Saddendas@blbresources.com.

FHA Case Number: _____ Property Address: _____

All HUD Property Disposition sales of HUD-acquired properties are to close within 45 days (60 days if purchaser(s) are obtaining an FHA 203K Loan) of acceptance of a HUD-9548 (1/99) Sales Contract offer to purchase.

Forfeiture of Earnest Money Deposits

The failure by a Purchaser to close on the sale of property within the allowable period, including any extensions approved by HUD, may result in the forfeiture of the entire earnest money deposit, except where special circumstances exist. These situations will need to be documented and approved by HUD.

Investor Purchasers

1. Please note the 15-day inspection period applies to owner-occupant purchasers only. Investors may inspect the property but will forfeit the entire earnest money deposit regardless of the inspection results.
2. Uninsured Sales – The purchaser will forfeit the entire earnest money deposit for failure to close within the allotted time, regardless of the reason.
3. Insured Sales – The purchaser will forfeit fifty percent (50%) of the earnest money deposit for failure to close if the purchaser is determined by HUD or Direct Endorsement underwriter to be an unacceptable buyer. The purchaser will forfeit the entire earnest money deposit if the sale fails to close for any other reason.

Owner-Occupant Purchasers

The purchaser will receive a refund of the entire earnest money deposit under the following circumstances:

1. There has been a death in the immediate family (contract holder, spouse, or children living in the same household).
2. There has been a recent serious illness in the immediate family that has resulted in significant medical expenses or substantial loss of income, thus adversely affecting the purchaser's financial ability to close the sale.
3. There has been a loss of job by one of the primary breadwinners, or substantial loss of income through no fault of the purchaser.
4. For Insured sales, HUD or a Direct Endorsement underwriter using HUD guidelines determines that the purchaser is not an acceptable borrower.
5. For Uninsured sales, the purchaser was pre-approved for mortgage financing in an appropriate amount by a recognized mortgage lender and, despite good faith efforts, is unable to obtain mortgage financing. "Pre-approved" means a commitment has been obtained from a recognized mortgage lender for mortgage financing in a specified dollar amount sufficient to purchase the property.
6. For other good cause, as determined by HUD.

On an uninsured sale, the purchaser will forfeit fifty percent of the earnest money deposit in those instances where, despite good faith efforts by the purchaser, there is an inability to obtain a mortgage loan from a recognized mortgage lender.

On either type of sale, the purchaser will forfeit the entire earnest money deposit in those instances where no supporting documentation is submitted, where the documentation fails to provide an acceptable cause for the buyer's failure to close, or where documentation is not provided within a reasonable time following contract cancellation.

Purchaser Signature	(Required)	Date
Purchaser Signature	(Required)	Date
Selling Agent Signature	(Required)	Date