

# FHA Closing Instructions

---

## **Prior to closing:**

- Final HUD-1 must be sent 48 hours prior to closing for approval and/or revisions to [fhaclosing@wellsfargo.com](mailto:fhaclosing@wellsfargo.com) or fax to 866-230-8798

Note: Do not close without an approved HUD from Wells Fargo Home Mortgage

## **The following needs to be sent immediately after closing via e-mail or fax:**

- Final HUD-1 – Fully executed & certified HUD-1 signed by all parties
  - ESCROW STATES Included
- HUD-1 Closing Worksheet
  - Initialed and dated by the seller
  - Signed and dated by the sales agent
  - Signed and dated by the closing agent
- Lien release recording information
- Notarized Power of Attorney (if seller/buyer is unable to sign in person)

## **Wiring of Funds:**

We only accept WIRES. All wires need to be sent to:

Wells Fargo Banks, NA  
420 Montgomery Street  
San Francisco, CA 94104  
Account Name: Liquidation Short Sale Wire  
ABA Number: [REDACTED]  
Account Number: [REDACTED]

The following will need to be referenced on the wire:

- Seller(s) Name
- Wells Fargo Home Mortgage Loan Number

Note: If the seller name and WFHM loan number are not referenced, the wire will be rejected. If any of the above items are missing, proceeds will not be processed and are subject to return.

## **Extension Requests:**

If the closing date on the purchase offer has expired, you will need to send in an amendment/addendum to the purchase offer signed/dated by both buyer/seller and the reason for the extension. All extension requests must be sent to [fhaclosing@wellsfargo.com](mailto:fhaclosing@wellsfargo.com) for approval by Wells Fargo. Processing time for extension is 72 hours.

**If you have any questions, please contact 866-903-1053.**

This is an FHA short sale; HUD allows a \$750 seller incentive (will increase to \$1000 if property closes on or before 90 days after ATP is issued) out of the sales proceeds to go to the seller as long as the minimum net is received. This is HUD's reward to the seller for doing a short sale and not letting the property go into foreclosure sale. The seller incentive may be reduced by any expenses that HUD considers "non-allowable". If the expenses are paid out of the proceeds, the seller's incentive will be reduced.

The seller incentive is to be listed in the 500 series of the HUD1, not line 603

**WELLS FARGO HOME MORTGAGE**

Wells Fargo Home Mortgage  
MAC X9400-02M  
11200 West Parkland Avenue  
PO Box 245018  
Milwaukee, WI 53224

February 02, 2012

[Redacted]

Dear [Redacted]

RE: Demand Statement for Loan [Redacted]  
Projected Settlement Date 03/02/11  
Property Address [Redacted]

Client [Redacted]

Wells Fargo Bank, N. A. approves the sale of the above referenced property. This sale will result in a short payoff of the mortgage, and the mortgagor(s) acknowledge they waive any and all rights to any escrow balance, insurance proceeds or refunds from prepaid expenses. Neither the mortgagor nor any other party may receive any sale proceeds or any funds as a result of this transaction except as noted in this Demand Statement. As agreed, when we receive the sale proceeds and all required documentation, we will notify the credit bureau to reflect "agreed settlement short of full payment" which would appear on the credit report within 60-90 days from the sale date and within 60-90 days from the date of notification and waive any deficiency rights, if applicable.

Sale approval details

This approval is based on the purchase contract dated 09/19/11 between [Redacted] the seller(s), and [Redacted] the buyer(s), for a purchase price of \$ 249,000.00. The terms of our approval and instruction to the Settlement Agent are as follows:

1. The required payoff is \$ 224,024.78, scheduled for settlement on or before 03/02/11. Your contribution and settlement costs for this transaction are:

Mortgagor contribution:  
 Cash at Closing: 0.00  
 Promissory Note: 0.00

Approved Seller Closing Costs:  
 Real Estate Commission: 14,940.00  
 Seller Incentive 1,000.00  
 Sewer Capacity 1,513.59  
 Tax proration 1,059.43  
 Closing Fee 900.00  
 Seller Policy 1,125.00  
 Excise Tax 4,437.20

- 2 LW100/NDN/pg.1

**WELLS FARGO HOME MORTGAGE**

Wells Fargo Home Mortgage  
MAC X9400-02M  
11200 West Parkland Avenue  
PO Box 245018  
Milwaukee, WI 53224

Page 2

RE: Loan Number [REDACTED]

Approved seller concession to buyer's closing costs:

Itemization of concession:

2. Within two (2) business days of receiving this Demand Statement, you must notify us of the name, address, and telephone number of the Settlement Agent. Both the Realtor and Settlement Agent must be provided a copy of this Demand Statement.
3. The Settlement Agent must contact us 48 hours before the scheduled settlement date and provide a copy of the final estimated HUD-1 Settlement Statement. The Settlement Agent must provide the information required on the enclosed title worksheet as well as the fully executed HUD Closing worksheet, for FHA loans. If settlement is delayed and/or rescinded, we must be notified immediately to review the request and provide written approval, if granted per investor or mortgage insurance guidelines. We reserve the right to assess a per diem interest from the original settlement date until the actual settlement date.
4. All parties understand and acknowledge the purchase contract may not be amended without our prior written approval. The property is sold "as is", the purchaser is not related to the seller, and any relationship between a participating Broker/Realtor has been disclosed prior to issuing this Demand Statement. It is further understood this transaction may not involve any third party who received a deed from mortgagor at, prior to, or after settlement, and the purchase contract may not be assigned.
5. The Settlement Agent is instructed to immediately wire all approved short sale proceeds to the following wire instructions as follows:

Wells Fargo Bank, N. A.

Account No.: [REDACTED]

ABA No.: [REDACTED]

Special Information for Beneficiary:

Apply Funds to loan: [REDACTED]

Mortgagor: [REDACTED]

From: Sender's Name and phone number

\* If this information is not provided the wire will be rejected.

The original executed Promissory Note, if applicable, delivered to us by the next business day immediately following settlement to:

Wells Fargo Home Mortgage  
Attn: Liquidations  
X2302-044  
One Home Campus  
Des Moines, IA 50328

Wells Fargo Home Mortgage  
is a division of Wells Fargo Bank, N.A.

02/02/2012 8:44PM (GMT-06:00)

**WELLS FARGO HOME MORTGAGE****Wells Fargo Home Mortgage**  
MAC X9400-02M  
11200 West Parkland Avenue  
PO Box 245018  
Milwaukee, WI 53224

Page 3

RE: Loan Number [REDACTED]

Failure to comply with any of these requirements will result in the transaction re-closing. Once certified funds are received and approval is final, a document releasing the mortgage will be sent to record this decision. If the property was in foreclosure, that action will stop when the terms of the approval are met.

**Contact Us with Questions**

Thank you for your courtesy and cooperation. If you have questions or need additional information, please call me at the number listed below.

Sincerely,

[REDACTED]  
Home Preservation Specialist  
Wells Fargo Home Mortgage  
ph: 1-877-913-3376 ext. [REDACTED]

LW098/NDN/pg.3

We are required by the Fair Debt Collection Practices Act to inform you that if your loan is currently delinquent or in default, as your loan servicer, we will be attempting to collect a debt, and any information obtained will be used for that purpose. However, if you have received a discharge, and the loan was not reaffirmed in the bankruptcy case, we will only exercise our right as against the property and are not attempting any act to collect the discharge debt from you personally.

With respect to those loans located in the State of California, the state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or [www.ftc.gov](http://www.ftc.gov).



Wells Fargo Home Mortgage  
MAC X9400-02M  
11200 West Parkland Avenue  
PO Box 245018  
Milwaukee, WI 53224

Date	February 02, 2012	Loan No.	[REDACTED]
To	[REDACTED]	From	
Phone	(999) 999-9999	Phone	(866) 234-8271
Fax	(999) 999-9999	Fax	(866) 359-1975

The Following Recording Information is Needed to Prepare the Release

Date Recorded \_\_\_\_\_

Book/Page/Ins. Number \_\_\_\_\_

County \_\_\_\_\_

Original Beneficiary \_\_\_\_\_

Current Beneficiary \_\_\_\_\_

Trustee \_\_\_\_\_

Legal Description  
(if applicable) \_\_\_\_\_

Assignments  
(if applicable) \_\_\_\_\_

Send for Recording to:

\_\_\_\_ Agent Name \_\_\_\_\_

\_\_\_\_ Address \_\_\_\_\_

\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_ Fax \_\_\_\_\_

\_\_\_\_ Courthouse \_\_\_\_\_

LW172/NDN

**Closing Worksheet**  
**Pre-foreclosure Sale Program**

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

OMB Approval No.2502-0464  
 (exp. 10/31/2012)

**Public reporting burden** for this collection of information is estimated to average 9 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Section 204 of the National Housing Act authorizes the Secretary to pay an insurance claim that bridges the gap between the fair market value proceeds from the HUD-approved third party sale of the property. The respondent's may be lenders (mortgagee's), counselors and homeowners who are attempting to sell their properties prior to foreclosure. The Privacy Act of 1974 pledges assurances of confidentiality to respondents. HUD generally discloses this data only in response to a Freedom of Information request.

Mortgagee Contact Person: [REDACTED]	Phone Number: [REDACTED]	Account/Control Number: [REDACTED]	FHA Case Number: [REDACTED]
Homeowner Name(s): [REDACTED]		Property Address: [REDACTED] BOTHHELL, WA 98012	
Homeowner Name(s):			

**Mortgagee (or HUD) Approval of the Sales Contract is a Pre-Condition of the Sale**

Name of Purchaser [REDACTED]	Address N/A,	Phone Number 999-999-9999
Name of Purchaser	Address	Phone Number
Type of Financing (mark one) <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> Conventional <input checked="" type="checkbox"/> Other	Date Contract Approved 02/02/2012	Selling Price \$ 249,000.00
Sales Commission 6.00 %		
<b>Payable from Sale Proceeds</b>		
Sales Commission	\$ 14,940.00	
(Local & State transfer taxes/stamps, etc.)	\$ 9,035.22	
(Lien discharge (must not exceed \$1,000))	\$ 0	
(insert item) Prepaid Credits	\$ 0	
(insert item) Non Allowables/Seller Incentive	\$ 0	
Consideration to seller (Basic amount = \$750. Addition amount (normally \$250) is paid if closing occurs within 90 days of start of participation in Pre-foreclosure sale Procedure)	\$ 1,000.00	
Total Amount Payable from Sale Proceeds (Add column of items)	\$ 24,975.22	Deduct all payments from Proceeds from selling price proceeds to Mortgagee: \$ 224,024.78
Total amount paid to seller	Seller's Initials & Date	*(By initialing, seller acknowledges receipt of amount specified).
Sale's Agent/Broker's Signature & Date** [REDACTED]		**By signing, the Agent/Broker certifies that there are no hidden terms or special understandings with the buyer, seller, appraiser, closing agent or mortgagee.
Mortgagee's Authorizing Official's Signature & Date X [REDACTED] 02/02/2012		Closing Agent's Signature & Date X Title Co Closing Agent/Atty

(Attach copy of Settlement Statement)

**Sales Contract Review  
Pre-foreclosure Sale Program**

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

OMB Approval No.2502-0464  
(exp. 10/31/2012)

Public reporting burden for this collection of information is estimated to average 9 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Section 204 of the National Housing Act authorizes the Secretary to pay an insurance claim that bridges the gap between the fair market value proceeds from the HUD-approved third party sale of the property. The respondent's may be lenders (mortgagee's), counselors and homeowners who are attempting to sell their properties prior to foreclosure. The Privacy Act of 1974 pledges assurances of confidentiality to respondents. HUD generally discloses this data only in response to a Freedom of Information request.

Mortgage Contact Person: [REDACTED]	Phone Number: [REDACTED]	Account/Control Number: [REDACTED]	FHA Case Number: [REDACTED]
Homeowner Name(s): [REDACTED]		Property Address: [REDACTED] BOTHHELL, WA 98012	
Homeowner Name(s):			

Date of Sales Contract: 9/19/2011	Date contract Received by Mortgagee: 1/6/2012	Sales Agent and Firm: [REDACTED]	Phone Number: 999-999-9999	Sales Commission & Rate \$14,940.00; 6.00%
Offered By: [REDACTED]		Address: N/A		
Listing Price: \$ 262,000.00	Price Offered: \$ 249,000.00	Appraised Value: \$ 244,000.00	90% of Appraised Value: \$ 219,600.00	Estimated Net Sales Proceeds: \$ 224,024.78

**Mortgagee (or HUD) Review of the Sales Contract**

The Sales Contract offered by the individuals listed above is:

- Accepted
- Rejected (List reasons below)

This Sales Contract is rejected for the following reason(s):

[REDACTED] 02/02/2012

\_\_\_\_\_  
Mortgagee Signature and Date

form HUD-90051 (06/2003)  
ref. Handbook 4330.1