



GBS, LLC
1250 Ironwood Drive, Suite 320
Coeur d'Alene, ID 83814
Phone: (208)769-7902
Fax: (208)665-9783

February 03, 2011

RE:

File #
HUD

This letter is to notify you that the current expiration date of 02/17/2011 for this property is approaching.

This transaction must close or an extension must be filed prior to 02/17/2011 in order to avoid the expiration of the contract and the potential loss of earnest money. HUD requires extension requests be submitted no later than 5 business days prior to the contract expiration date. However, if your buyer does not or will not have loan approval within 10 business days of the contract expiration date we would recommend that you submit the extension request as soon as possible so we may be in receipt of the extension approval when the file is ready to schedule.

All extension requests must be accompanied by the extension fee and a CURRENT lender letter, stating the current stage of the loan (ie; in process - waiting on employer information, lender information or proof of funds, in underwriting, out of underwriting and clearing conditions; loan approved with no conditions or Ready to Schedule).

The letter must be on lender letterhead and it must be dated and signed with the name, title and contact information of the signer. Simply using a previous letter and changing the date is not acceptable.

If GBS is in receipt of all items needed to facilitate the closing **and** a closing date has been scheduled with GBS then please disregard this notice. In the event a change in the file occurs please submit an extension request. If you are unsure that a date has been scheduled for closing or if the items needed have been received please contact our office to confirm.

Sincerely,

GBS, Your HUD Closing Agent

Cc:



GBS, LLC
 1250 Ironwood Drive, Suite 320
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Fax: (208)665-9783

Information Letter

02/03/2011

Buyer:

File Number: :
 FHA Case # 121-
 Property Address:

To:

Fax No:

To:

Fax No:

Congratulations on the purchase of your HUD property. We look forward to working with you and making this process as pleasant as possible.

We are in receipt of the above-referenced Sales contract from the U.S. Department of Housing and Urban Development. Earnest Money has been received and your file is in process.

We have been informed that _____ is the expiration date of this contract.

***Please be advised that it is the real estate agents responsibility to make certain that the contract is active at all times. ***

Please complete and return page 2 to our office ASAP to be certain we are in possession of the correct contact information. Pages 3,4 and 5 are full of information to guide you through the process of closing HUD property transactions. Page 6 is our wiring instructions including reference information for this transaction.



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Buyer's Information

RE: _____

File Number# _____

Please review, complete and return at your earliest convenience as this is an important document to process our file. Upon completion of the Buyer's Information Letter, **please fax to 208-665-9783 or email to idthitle@gbspartners.com**. We appreciate the opportunity to serve you.

The following information is needed to process your transaction. Please complete the following and return as soon as possible.

Buyer Name: _____ Spouse: _____
 (if applicable)

Buyer Name: _____ Spouse: _____
 (if applicable)

Current Address: _____

Phone: Primary Buyer information	Spouse information (if applicable)
Home () _____	Home () _____
Business () _____	Business () _____
Cell () _____	Cell () _____

Realtor Info: Name _____ Phone# _____ Email: _____

Transaction Type:

- () Cash Transaction
- () Loan Transaction

Lender Name: _____
 Lender Contact: _____
 Lender Phone: _____
 Lender Fax: _____
 Lender Email: _____

I hereby authorize GBS, LLC as escrow holder to discuss my/our file with the above named parties with reference to information necessary to process this transaction.

 Buyer Signature Printed Name Date Signed

 Buyer Signature Printed Name Date Signed



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Important Information for HUD Purchases

RE: HUD

Please Read to help this transaction run smoothly

In an effort to provide you with quality service and streamline the closing process of this HUD transaction we would like to educate you on a few of HUD's procedures. Please note the following:
Closings and disbursements will be handled by:

GBS Partners, LLC
HUD Closing Department
1250 Ironwood, Ste 320
Coeur d'Alene, Idaho 83814
Phone: (208)769-7902 Fax: (208)665-9783

The escrow closing for your HUD property purchase must take place at our office or at one of the approved First American courtesy signing agents. The courtesy signing company will be performing a "courtesy only" signing, which means that you will sign your documents in front of a notary public in that office. The buyer is responsible for payment of the courtesy signing fee(s). You will need to bring proper identification with you to closing. No separate courtesy closings may be performed on HUD property files. All purchasers **MUST** attend the closing. Due to the nature of HUD closing transactions we cannot sign the transaction without all parties present at the same time. **IF THIS IS A PROBLEM CONTACT OUR OFFICE IMMEDIATELY.** HUD's Closing Department will coordinate and schedule the signing through our office.

An FHA appraisal has been performed on the property. If the property is to be purchased with an FHA loan, GBS will send a copy of the FHA appraisal received from HMBI to the lender to save expense to the buyer.

The property has been purchased "AS IS". No one is allowed to improve the property prior to closing (ie: no clean up, appraisal repairs, mechanical repairs, etc). This could be construed as tampering with government property. **Violation of this rule could cause HUD to cancel the contract.**

If damage occurs after the contract has been signed, we ask that you please contact our office immediately. In addition, you will be required to contact the property management company to work out repairs, etc.



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RE: HUD

FHA Repair Escrows: The escrow amount showing on the purchase contract is added to the loan amount and escrowed from the buyer at closing. The Repair Escrow must match the amount shown on the contract. Repair Escrows **MUST** be held by the Lender per HUD Guidelines and will be released by the lender directly to the buyer. The Seller will not sign holdback agreements.

If you have a conventional loan with a repair escrow this is also the responsibility of the buyer for payment and the funds must be paid to the lender to hold and release directly to the buyer. GBS does not hold repair escrow funds.

When our file is cleared of all conditions we will e-mail a Ready to Schedule letter to the lender and to the buyer's agent. Once this letter is received the lender may contact our office for scheduling.

Closing Instructions must be addressed and sent to GBS, LLC. 1250 Ironwood Drive, Suite 320, Fax #208-665-9783. Closing Instructions addressed to any company other than GBS or to any other address will not be accepted. The Settlement Statement will be prepared by GBS, LLC, HUD Closing Department, and all funds will be disbursed from this office. The correct email address for document delivery is IDDocs@gbspartners.com

Lender Closing Instructions and closing documents must be received by 5:00 p.m. PST **ten (10) business days** prior to closing. Closing instructions may contain no conditional closing or funding requirements. Please send the closing instructions and all lender bills (ie. insurance, appraisal, credit report) you wish disclosed on the HUD-1 and paid at disbursement to the email above or you may fax 208-665-9783. ALL INVOICES must be received in our office at the same time we receive closing instructions or the HUD-1 cannot be completed and any delays can cause the signing to be rescheduled. We are unable to pay buyer's personal debt, judgments or liens through closing.

Changes of any kind to the closing statement after the documents have been sent for HUD's approval will delay the closing process. HUD must approve **any and all changes** to the HUD prior to signing.

Closing Funds to include Buyer's Closing Costs and Lender's Proceeds will only be accepted in the form of a **Wire Transfer** to the HUD Escrow Account. All funds must be in said account on or before the set closing time so we encourage an early arrival of funds to avoid any delays or postponements. Please utilize our wiring instructions attached. The Closing will not take place until ALL funds are received.

HUD will not sign mechanic lien or survey affidavits, or loan documents other than the closing statement and FHA HUD1 Addendum. Loan documents for Special Loan Programs may be signed however we must receive these documents for signature with closing package.

The courtesy signing agent will be performing a "witness only" signing service. DO NOT schedule a signing appointment with them. Scheduling of all signings is only done through this office. DO NOT send your closing instructions or document package to the witness closing agent. All closing packages must be sent to GBS. Witness closing agents cannot accept funds at closing. They must be wired to the HUD Escrow Account prior to closing.



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RE: HUD to

In the event HUD has agreed to pay buyer's closing costs in a specific dollar amount on **LINE 5** of the Sales Contract the following are the limitations on the fees HUD will pay up to the dollar amount stated in the contract.

Appraisal (Conventional or FHA 203K. Does not include appraisals for FHA 203 loans unless the appraisal provided by HUD has expired)	Customary
Origination Fee (Charged by lender for Loan origination)	1% of Purchase Price
Origination Fee for 203K	1.5% of Sales Price
Discount Points (Can only be charged to buy down the interest rate. Lender must provide a letter specifically stating the points are used to buy down the rate. Letters from the Mortgage Broker are not accepted by HUD.)	Actual not to exceed 3%
Pre-Paid- Max 3 month's Insurance escrow only if a copy of the insurance certificate with annual premium is provided. Max Tax Escrow = 15months	HUD will pay either one years insurance premium or the reserves, but not both.
Survey (Property Survey, if required by Lender)	Actual
Title Insurance (Owner's and Lender's Policy(s) <u>HUD will not pay for additional endorsements or chains of titles.</u> Please note: Although it is standard practice in the area for the seller to pay all or part of the Owner's Policy, HUD does not pay for any title insurance unless there are funds available on Line 5 of the Contract.	Actual

If you have any questions, regarding these instructions please feel free to contact our office. We look forward to working with you.

GBS, LLC Closing Team



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GBS, LLC
WIRING INSTRUCTIONS
For
IDAHO

TO: **GBS, LLC**
File Number:

BANK US Bank
NAME: 7230 Fairview Avenue
Boise, ID. 83704

ABA: **123103729**

ACCT #: **153391297535**

NAME: GBS, LLC, as Trustee for the U.S. Dept. of Housing and Urban Development

REF: Must Reference Case No: **121-**
Buyer Name:
Property Address

IMPORTANT NOTE:

NO CLOSING WILL TAKE PLACE UNTIL ALL FUNDS ARE RECEIVED IN THE HUD ESCROW ACCOUNT. THE WIRE MUST BE POSTED INTO THIS ACCOUNT **PRIOR** TO THE SCHEDULED APPOINTMENT TIME AND DATE OF CLOSING. FAILURE TO DO SO MAY CAUSE THE CLOSING DATE TO BE RESCHEDULED AND NEW DOCUMENTS MAY NEED TO BE REDRAWN.



GBS, LLC
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Phone: (208)769-7902
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To: 'Agent'

Date: 02/03/2011

To: "Lender"

File Number-

Buyer-
Property-
Case Number- 121-

RE: We Are Ready to Schedule the Closing

* GBS is ready to schedule closing. Please contact our office at **208-769-7902** to schedule the closing date and receive instructions for sending loan documents.

* Lenders please do not e-mail or send loan documents prior to scheduling the closing date with GBS.
Loan documents received without a scheduled closing date will not be accepted .

* HUD transactions take ten (10) business days to close once a complete, accurate loan package is received in our office. Loan documents will not be accepted unless there is sufficient time to close. Documents received after the promised delivery date will be subject to a change in the closing date. Incorrect or incomplete loan packages received will be subject to a change in the closing date.

* **Agents: Contracts must be kept active at all times. Closings cannot be scheduled for contracts expiring during the 10 business day closing period. You are urged to send in the following:**

1. Extension Request
2. Lender letter stating the current status of the loan
3. the extension fee, as soon as requested.

If the lender is still working on loan approval you are urged to send your extension request and supporting documentation to our office as soon as you realize there will be less than 10 business days to close. However, it is important that you deliver the extension request and supporting documentation no less than 5 days prior to the contract expiration date.

We look forward to hearing from you. Thanks and have a great day.
GBS Partners, LLC