

PRIOR TO PLACING A BID
*******CHECKLIST*******

Date: _____ Agent: _____

Case Number: _____ Phone #: _____

Property Address: _____

Please complete and check off all of the following prior to submitting a bid:

- Original Sales Contract – HUD form 9548 dated 1/99** (PDF or Carbon)
 - (If PDF contract is used it may not be photocopied – you must complete the PDF contract that comes directly from the printer.)*
 - Line 1 – All Purchasers on Contract
 - Line 2 – Title Name(s) & Style (individuals taking title)
 - Line 3 – Purchase Price
 - Line 4 – Check Financing type – FHA financing must match listing type
 - IN = 203(b)
 - IE = 203(b) Repair Escrow (also fill in amount of escrow)
 - UI = property may qualify for 203(k) financing
 - All properties may be financed with Conventional Financing
 - Line 5 – Closing Costs may not exceed 5% of the purchase price
 - Line 6a – Selling Commission not to exceed 5% of the purchase price
 - Line 6b – BLB Commission will be 1% (or less) of the purchaser price
 - Line 7 – Net Amount - Line 3 minus lines 5, 6a, and 6b
 - Line 8 – Type of ownership (owner occupant or investor)
 - **OWNER OCCUPANTS** must occupy the property for 12 months and have not purchased a HUD HOME as an Owner Occupant within the past 24 Months.
 - Line 9 – Closing Date must be 60 Days
 - Line 11 – Lead Based Paint Addendum must be attached if property was built prior to 1978
 - Line 12 – Purchaser must Initial**
 - Have Purchaser(s) Print Name(s) and Sign**
 - Include all Purchaser's Social Security number's, current place of residence, phone number, and date of offer
 - Social Security Number MUST match the purchasers Social Security number submitted on the bid.
 - Broker Information including office address, **broker signature** (not a stamp) Tax ID number, Agents Name, and Phone number

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FORMS AND ADDENDA

- Copy of Earnest Money Deposit check**
 - o Sales price up to \$49,999 earnest money deposit = \$500
 - o Sales price \$50,000 and up earnest money deposit = \$1,000
- Forfeiture and Extension Policy - Version 3/31/03**
 - o Must be read and signed by all purchasers
- Broker's Agreement to Abide by HUD's Earnest Money Forfeiture Policy**
 - o Broker **MUST** sign – Stamps are not allowed
- Lead Based Paint Addendum** - if the home was built prior to 1978
 - o Must be signed by all purchasers and the Broker or Agent
- Owner Occupant Certification** – HUD form 9548D dated 1/98
 - o *If purchaser is an Owner Occupant*
 - o **OWNER OCCUPANTS** must occupy the property for 12 months and have not purchased a HUD HOME as an Owner Occupant within the past 24 Months.
 - o Misrepresenting a purchaser as an Owner Occupant is a **SERIOUS** offense that may constitute fraud and may result in an investigation of the Broker, Agent, and purchaser by the office of the inspector general.
- Radon Gas and Mold Notice and Release Agreement 9548-e**
 - o Must be signed by all purchasers
- For Your Protection Get A Home Inspection**
- Pre-Qualification** or Pre-Approval letter from a lender. *If this is a cash sale: verification of cash funds*

Over-Bidding with FHA financing

If your purchaser is obtaining FHA financing you will be required to use HUD's FHA AS-IS Appraisal (unless HUD's Appraisal is over 6 months old, in this case your purchaser will be required to obtain a new FHA AS-IS appraisal at their cost). Therefore, if you overbid the appraised value and your purchaser is obtaining FHA financing, the **purchaser must pay the overbid difference in cash.** This is because FHA will not insure a loan for greater than the appraised value of the property.