



## Investor Sales Package

Please fill in ALL information in the fields below to populate the Owner Occupant Sales Package. The contract package should be complete and signed by the purchaser(s) and Selling Broker prior to submitting an offer. The 9548 must be printed from the HUD Home Store, completed, and submitted with package. If the bid is accepted the completed contract package and Earnest Money Deposit must be received by Cityside Management within **2 business days bid acceptance**.

### Property Information

FHA Case Number: \_\_\_\_\_

Property Address: \_\_\_\_\_  
(Include city, state, zip, and country)

### Purchaser(s) Information

Purchaser Name: \_\_\_\_\_

Purchaser Name: \_\_\_\_\_

Title Name(s) and Style: \_\_\_\_\_

Purchaser(s) SSN/EIN: \_\_\_\_\_

Purchaser Address: \_\_\_\_\_

Purchaser(s) Phone Number: \_\_\_\_\_

### Selling Agent/Broker Information

Brokerage Name: \_\_\_\_\_

## **FORFEITURE OF EARNEST MONEY POLICY**

All HUD Property Disposition sales of HUD-acquired properties are to close within 45 days of acceptance of a HUD-9548 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 time period, including any extensions granted by HUD, will result in the forfeiture of the earnest money deposit, except where special circumstances exist and are documented and accepted by HUD.

### **Investor Purchasers:**

- Uninsured Sales – The purchaser will forfeit 100% of the earnest money deposit for failure to close, regardless of reason.
- Insured Sales – The purchaser will forfeit 50% of the earnest money deposit for failure to close if purchaser is determined by HUD or Direct Endorsement underwriter to be an unacceptable buyer. The purchaser will forfeit 100% of the earnest money deposit if the sale fails to close for any other reason.

### **Owner-Occupant Purchasers:**

- The purchaser will have 100% refund of the 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. On an insured sale, HUD or a Direct Endorsement underwriter determines that the purchaser is not an acceptable borrower;
  5. On an uninsured sale, 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. "Preapproved" means a loan commitment has been obtained from a recognized mortgage lender for mortgage financing in a specific dollar amount sufficient to purchase the property; and
  6. For other good cause, as determined by the field office.
  
- On an uninsured sale, the purchaser will forfeit 50% of the earnest money deposit 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 100% of the earnest money deposit in those instances where no documentation is submitted, where the documentation fails to provide an acceptable cause for the buyer's failure to close, or where documentation must be received by Cityside Management no later than close of business on the tenth day following cancellation of contract.

### **Buyer Certification:**

I/we acknowledge that I/we have been interviewed, completed a loan application and received a Pre-Qualification Letter from an approved lender. I/we have read and understand this policy and will forfeit our earnest money deposit if we enter into this contract without completing the qualification process.

### **Signatures:**

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**(Purchaser)**

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**(Date)**

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**(Purchaser)**

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**(Date)**

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**(Purchaser)**

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**(Date)**

# CAUTION

U.S. Department of Housing  
and Urban Development  
Federal Housing  
Administration (FHA)



OMB Approval No: 2502-0538  
(exp. 07/31/2009)

## For Your Protection: Get a Home Inspection

### Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition: structure, construction, and mechanical systems.
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of major systems, equipment, structure, and finishes.

### Appraisals are Different from Home Inspection

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

### FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

### Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

### Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



HUD-92564-CN (6/06)



# CAUTION

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## Inspection Addendum to Sales Contract

FHA Case#: \_\_\_\_\_ Property Address: \_\_\_\_\_

*HUD makes no representations or warranties concerning the property condition. As a result, I acknowledge that I am responsible for ensuring that the property, in its current condition, is acceptable to me.*

If I enter into a contract to purchase the above referenced property from HUD, I may have a home inspection performed by a qualified inspector to identify **major** defects in the roof, structure, plumbing, electrical and heating systems. **I have fifteen (15) calendar days from the day of HUD's acceptance of a sales contract to complete the inspection.** Failure to comply with this timeframe may forfeit my right to an inspection with utilities activated. Utilities must be activated in my (Purchaser's) name and may not remain on for more than two (2) days. Regardless of the test results, I (we) understand fully that neither HUD nor Cityside Management as HUD's Representative, will be responsible for costs associated with nor perform any repairs to the property. If the inspection discloses a major defect, the following provisions will apply:

### 1. Insured sale:

- a. I may close the sale as scheduled without repairs being performed nor a price reduction or,
- b. I may request termination of the contract with a full refund of the earnest money, provided that Cityside Management, as HUD's Representative concurs with the inspection report. As a condition to having the contract terminated and the earnest money deposit refunded, I agree to have the test completed and to provide my written rejection, with the appropriate documentation, to Cityside Management within fifteen (15) calendar days from the date my sales contract was signed by Cityside Management as HUD's Representative; otherwise, HUD and Cityside Management will assume that the inspection was satisfactory and I will proceed to closing. The cancellation contingency is limited to roof, foundation, defective components within the mechanical systems (electrical, plumbing and heating). Defective kitchen appliances, window air conditioner units, light fixtures, receptacles and switch plate covers, as well as leaky faucets, missing showerheads and other similar defects are not considered in the mechanical systems nor is equipment age or energy efficiency ratings.

### 2. Uninsured sales:

- a. No repairs will be authorized. The inspection will not be a basis for canceling the sale.

The same provisions, as listed above, will also apply if any of the utilities cannot be turned on due to code violations, known defects, utility company policy or if the inspection cannot be completed as the result of a major component defect. If FHA insured financing is used, the cost of the inspection, up to the maximum amount allowed by HUD, may be financed into the mortgage or included as part of the financing/closing costs figure stated on Line 5 of the sales contract.

I also understand fully and hereby agree to bear all expenses associated with the testing of the systems, including repair of damage and **rewinterization of the property** in accordance with the FSM Utility Activation process.

Purchaser's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Purchaser's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

I agree to adhere to the FSM guidelines and that I will be present during the inspection. I understand I am responsible for any costs incurred by my purchaser(s) associated with the inspection. I also agree to ensure that the property is returned to the same condition as before the inspection. This includes repair of damage and re-winterization of the property when deemed appropriate by the FSM.

Selling Broker's Signature: \_\_\_\_\_ Date: \_\_\_\_\_



HUD CASE NUMBER: \_\_\_\_\_

PROPERTY ADDRESS: \_\_\_\_\_

\_\_\_\_\_

## Conflict of Interest Addendum

### Purchaser Certification

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I/We the undersigned purchaser(s) of the above described HUD property, acknowledge that I/we understand that no employee of a HUD contractor/subcontractor or relative of such employee may purchase a HUD property. I understand that if I am an employee of a HUD contractor/subcontractor or a relative, my contract is subject to cancellation and the forfeiture of my earnest money deposit.

### Selling Broker Certification

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I, the undersigned buyer's agent of the above referenced HUD property, understand that no HUD listing broker, employee of the listing broker, nor relative of the listing broker or their employee may purchase a HUD property nor own interest in any corporation purchasing a HUD property. I understand that no employee or their relative of any HUD contractor or subcontractor may purchase a HUD home.

Any contract submitted in violation of these rules is subject to cancellation and earnest money deposit forfeiture.

Furthermore, I understand that any agent found in violation of the Conflict of Interest addendum will immediately lose their listing broker privileges with HUD and may face suspension of their bidding privileges.

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Date

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Date

\_\_\_\_\_  
Selling Agent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Selling Broker

\_\_\_\_\_  
Date

## Closing Extension Policy

**ALL SALES ARE EXPECTED TO CLOSE WITHIN THE APPLICABLE TIME FRAME IDENTIFIED ON LINE 9 OF THE SALES CONTRACT.**

If the closing does not occur on or before the specified date on line 9 of the HUD Sales Contract 9548, the HUD Broker should contact HUD's Closing Agent no later than FIVE days prior to the contract expiration date and request an extension.

Cityside Corporation, as HUD's Representative, may grant an extension of closing time and, if approved, each extension will be for a period of fifteen (15) days as follows:

- The initial 15-day extension will be provided for owner occupant purchasers, at no cost, only if documentation is provided indicating that proper and timely loan application was made, that the delayed closing is not the fault of the purchaser and that mortgage approval is imminent. Investor purchasers are not eligible for no cost extensions, fee's will not be waived due to investor delay.
- Documentation submitted with the extension request must establish that a closing can reasonably be expected to occur within the extension period.
- Extension fee's that do not qualify for waiver will be charged as follows for a period of fifteen (15) day increments:

Contract Sales Price	Extension Fee
Equal to or less than \$25,000.00	\$150.00 (\$10.00 per day)
\$25,000.01 to \$50,000.00	\$225.00 (\$15.00 per day)
\$50,000.01 and over	\$375.00 (\$25.00 per day)

- Extension fee checks are to be either Money Order or Bank Certified, Personal checks and Cash are not acceptable. Funds are to be made payable to HUD and delivered to HUD's Designated Closing agent along with the attached closing extension request and all necessary backup as described above.
- Extension fees are non-refundable however, if closing occurs in less than the approved extension time, the buyer will be credited at closing for the per day fee for the unused portion of time.
- The approval of an extension does not obligate Cityside Corporation, as HUD's Representative, to grant future extensions.

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Broker Signature

\_\_\_\_\_  
Date