



A DAY IN THE LIFE OF A CLOSER

And Yes, this is a Normal Day



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A Washington State Approved Real Estate School for Clock Hour Education under R.C.W. 18.85.

CORRESPONDENCE CLOCKHOURS

INSTRUCTIONS:

1. Print out the class.
2. Read the class material.
3. At the end of the material there is a quiz (all the answers are in the material that you have read).
4. Answer the questions.
5. Return to me the Quiz, evaluation and a check for the class payable to **CLOCKHOURS BY ANGIE**, or complete your credit/debit card information on the sheet provided
6. Upon receipt, I will email you a certificate.

Disclaimer: I try very hard to have the latest known information on a subject in these classes, but, the real estate industry is forever changing with new updates all the time. The class materials are not to be used for legal advice. In our State, some items are handled different in the different regions. If you have any concerns, please do not hesitate to contact me at 509-216-3220 or at clockhoursbyangie@gmail.com

COURSE OBJECTIVE:

The students of this class will have a better understanding of all the different types of things that go on behind the scenes between the settlement agent and lender. There are so many different people that have their “hands” in a transaction. They say that over 50 different hands touch a purchase file that has financing. With this knowledge, they will recognize why certain things happen when they do in this very “time sensitive” world of settlement.

CURRICULUM FOR 'A day in a life of a closer'

Session/Hours	Topics	Method of instruction
10 minutes	Working with settlement	Read material/discussion
20 minutes	Example of delivery of CD	Read material/discussion
120 minutes	A day in the life of a closer	Read material/discussion
10 minutes	Housekeeping items	Read material/discussion
20 minutes	Review of forms	Read material/discussion

Okay, before I review my typical day with you, I want to review some elementary information with you that you may not be aware of that happens “behind the scenes”.

So, let’s start this material with a review of the “**Closing Disclosure**” that is used if the loan is **FHA, VA, or Conventional**.

WORKING WITH THE SETTLEMENT INDUSTRY:

The rule (TRID 10/3/15) states that the lenders are responsible for the production and delivery of the **Closing Disclosure**, something that has always been completed by the settlement industry. It does say that lenders may choose to use settlement agents to provide these forms; however, each company must determine for themselves how they want to proceed.



Most lenders are creating and providing the **Closing Disclosure** to their customers. All agree that regardless of who provides the forms, lenders and settlement agents will need to work closely together to gather the information necessary to complete the Closing Disclosure for the buyer. The settlement agent will prepare the sellers portion of the Closing Disclosure.

Remember, the lender is responsible for compliance. Therefore, many lenders will want to control the generation and delivery of the borrower’s **Closing Disclosure** to consistently meet internal compliance and regulator expectations.

Later in the class, I will review the 3 different ways the lenders send documents and CD’s to the settlement. Yes, I said 3 different ways - no conformity there!

Delivery of the “CD” to the borrower can be in many various ways:

1. Emailed to the borrower by the lender for review and signature. **Most common way lenders do this.**
2. The loan officer or another person employed by lender arranges to meet the borrower in person to review the “CD” and obtain signatures.... this was thought to be the way most would do it when the rule was rolled out, but it was found to be somewhat restricting with everyone’s schedules.
3. Someone from the lender’s office contacts the buyer to tell them they are sending out this out and arranges a time to have the Loan officer call and review with them on the phone when they have the documents in front of them.

All lenders require the borrower to sign the “CD” and scan the signature page to them as soon as possible so they will have proof of acknowledgement of the disclosure in their file. Or they are sending by way of DocuSign. Sometimes, the borrowers don’t even review the CD ahead of time and wait for the signing appointment to ask questions.

DELIVERY OF DOCUMENTS TO SETTLEMENT

Some lenders will send all the closing documents to the settlement agent when the “CD” is ready so they have it ahead of time and can arrange to have the seller execute their documents (especially those FHA/VA transactions where there are always forms for the seller to sign.)

BUT most lenders do not send the actual closing documents to the settlement agent ahead of time. They are received on the day of the signing appointment, or the evening before. So, if we are accommodating the seller to come in and sign before we have loan documents and if it is an FHA or VA, we will have to advise the seller that when we get the documents, we will need to scan a couple of documents to them and have them print out, sign and return to us by email, which works, as most lenders are not requiring the originals back from the seller. So, this can be one “last minute step” for the parties to remember that could hold up closing. And, there is typically a form in the documents for the listing agent and selling agent to sign. And, if the agents do not come to the signing appointment will have them emailed to them for signature and return....it can also hold up the closing.

Now, remember, when the lender does not give the settlement agent a copy of the CD prior to going out the buyer, and receives it for the first time with the loan documents on the morning of signing, the settlement agent now has to mirror all those charges/credits into their system, to create their own CD and “balance” with the

lender. This is when the settlement agent will then insert the “actual” costs of title, escrow, recording, pro-rates, etc. Then settlement agent has to send a copy of their CD to the lender to be approved. The lender then inserts the corrected charges/credits into their CD and sends **THEIR CLOSING DISCLOSURE**, to settlement to be signed at the signing appointment. This could take some time. This is pretty much where the problem is with this industry right now. This is why so many times the settlement agent cannot give the “buyer broker” or the buyer the exact amount to bring to signing because they do not have approval from the lender, nor can they set an appointment until approval.

EXAMPLE: it is 8:05 in the morning. Settlement agent just received the loan documents and the closing disclosure from the lender. Never saw either before this time. They were told late yesterday that this particular transaction had to sign and fund the next day (which is today if you are following me on this!) Settlement prints two copies of the documents which is typically 55-65 copies of each. (Many clients are still “old school” and want hard copies). One to be signed and one to give to buyers. Settlement starts working on “mirroring” the charges and credits and reviews for changes or additions. This could take 10-20 minutes as they are flipping through the entire file, re-reading everything from the PSA to the title and everything in between. Then, the settlement agent sends this closing disclosure to the lender. Now it could be 8:30 in the morning.....pressure is on! Buyers are coming in to sign at 9:00 and seller at 9:45 in order to scan all documents back to lender in time.

Settlement agent receives correct closing disclosure back from lender with all the necessary changes, **OR**, they receive it back and have moved some of the changes around a bit so it created a “tolerance” for the lender. Lender has to give purchasers a credit on closing disclosure. So, these changes are made. It is now 9:05, buyer has been in lobby for 15 minutes with agent.... excited.... they are moving into their new home today! You, as the buyer broker **NEVER** saw an estimated closing statement – not fair to you at all! We apologize all over the place, but really it could not be helped. You look at the statement for the first time at the signing appointment and realize something is wrong.... we did not get addendum that changed a charge or added something! Oops! Another small delay, we must contact the lender to have the change made **AND APPROVED!**

Now it is 10:10 and seller has been in lobby waiting for 30 minutes (got here early because they are also excited). The listing agent is with them and is upset because he/she did not receive a copy of settlement statement ahead of time either.... here we

go again! We have to apologize for something we had absolutely no control over - things that happen behind the scenes. This happens a lot!

It is now 10:30 and I am going to scan all the documents to the loan “funder” to review and then I will make copies. The title company will also receive scanned documents of the deed, excise tax affidavit and the deed of trust (all the recordable documents). The lender will receive a copy of everything the title company gets, along with all the original documents the parties have executed, except for our closing instructions (and perhaps some of our other documents that they don’t really care about). Or, they may ask us to scan all the copies to them, whichever system they are set up on.

Did I forget to tell you today is Friday and the courthouse does not allow anybody in the after 1:00 to record, so we are up against the clock at this time. Oh, and the other problem, wire cut off which was 2:00 has now been changed to 3:20 by the Federal Government recently.

So, with those two-time restraints in the mix, I keep moving along to the best I can with all these limits lurking around!

It is now approaching 11:15 and I have not heard from the lender....do I dare pick up the phone to call them.... I know how they are buried with many files they are working on also just as I am and just “one more extra phone call may put them “over the edge”. The phone rings and it is the lender! What, I missed an initial on the deed of trust? You have got to be kidding. Okay, more phone calls, more apologizing.....buyer is not too far from my office. They stopped at Starbucks before going back to work. It is my lucky day! Buyers stop in to our title office (another building) to initial the Original deed of trust that is at title “on hold” waiting for us to release recording. I emailed the title officer ahead of time telling them the buyers were going to be stopping in to initial and could they immediately send me a copy of that page so I can send to lender. Got it! Sent to lender right away.

It is now 11:50 and lender is calling to “balance” with me. I pull up my lenders screen on this file and see what I am showing the lender needs to wire me on this transaction. We agree! Halleluiah!

I then set up the wire on this account. As soon as the wire comes in, I will be notified by my wire department and then I can release recording!

Now, let’s do a little skit on the day in the life of a closer.... Some of the information I reviewed above will make a little bit more sense to you when you see it in an actual transaction and time frame. Some will be a repeat, but in this industry, that’s what we are all about.....repeating information, it then finally sinks in, right?

A DAY IN THE LIFE OF A CLOSER (a normal day)

6:30 am, so glad I have my mocha here on my desk to get me going! Phone is off until 8:00 so I should be able to get lots of work done without interruptions....no one else is in the office yet, so very quiet!

Calendar says: Tuesday, November 21, 2020

(Thursday and Friday, we are closed for Thanksgiving Holiday, and so are lenders!)

And, everyone who is moving wants to sign today or tomorrow with the funding and recording tomorrow. Who wouldn't with a 4-day weekend to move. You go to someone's house for dinner Thursday, take home some turkey for leftover sandwiches tomorrow (or that night- be sure to have fresh white bread available) and at dinner you ask if anyone can help tomorrow. Especially those in-town guests who don't have anything planned anyway! What a perfect time to move. You get in your new home (or move out) in time for Christmas! Whew! Easy, right!

(Closer is sitting at her desk)

- Well, I better log in to computer to see if any I have any emails (and hopefully CD's and documents) from any of my lenders. Of course, lots of emails – 56 new emails, so let me pick and choose as there are some specific ones I am waiting for. Okay, Delete, delete, (oh, I hate all spam that comes my way), and Macy's, Lane Bryant (I'm going to have to give them my personal email one of these days. Oh, I'll read that one later.... too long, and here is one of the lenders I'm waiting for, and another. Okay, so it looks like I've getting docs soon on this one.....and so on and so forth.
- I have 4 transactions funding today (that I know of) that all signed yesterday.

- Then, I know of 3 more transactions that are supposed to sign AND FUND today! I have approval of the CD on two, have not seen anything on the third one, and documents on only one. That doesn't make sense to you, well; sometimes it doesn't to me either.
- **LET ME BACK UP A BIT AND EXPLAIN TO YOU HOW THIS ALL WORKS SINCE THE CFPB TOOK OVER 10/3/15.**

First of all, the CFPB is the Consumer Financial Protection Bureau and the date they took over and the new forms started was 10/3/15. When that date occurred, the settlement industry changed forever. The lender is to prepare the Closing Disclosure for the purchaser, the new form approved for the purchaser which is commonly referred to as the CD and the closer prepares the sellers CD. Here's the problem, the lenders don't all do it the same way, no, that would be too simple! Right? So, let me explain to you the various ways:

- A. Some lenders will prepare their closing disclosure with the highest possible estimate they have on title, escrow and recording fees. They then rush to get it out to the purchaser 3 days PRIOR to the signing appointment. This is the Federal Law. Purchaser receives it, acknowledges they have received it and returns to the lender. Not, necessarily that they read and understood it. No, that would make our job too easy. A few of those lenders will tell their purchaser, DO NOT get your cashier's check or arrange your wire until the CLOSER calls you with the exact amount, as the amount on the CD you just received, is WORST CASE SENARIO. Also, bear in mind, the closer did not receive a copy of this at the same time, nor did their real estate agent.
- B. The lender will send their MOCK CD to the closer and ask them to make changes of the actual fees. In addition to the actual title, escrow and recording adjustments, they usually have the pro-rates incorrect, and

don't even have pro-rates on HOA's sewer, rents, if any, etc. The closer will then send that to the lender and the lender will approve and THEN they will send to their borrower. How nice, not a conflicting balance to close to confuse the borrower.....WE LOVE THIS WAY OF DOING THINGS – BUT IT IS NOT THE COMMON WAY OF “ROLLING OUT THE “CD”.

Some lenders, not many, thank God for that, send out the CD and closing documents to the closer and don't even recognize the changes the closer has made on the CD until funding. In those cases, we always use the higher amount of the CD for balance to close and tell the purchaser of the difference and that they may be receiving a refund once we balance with the funder. It sure does confuse our buyers.

Closers wish there would be a uniform way that TRID is interpreted by the lenders' attorneys, but there appears not to be, YET, as things are always changing in the settlement industry.

So, let's get back to our “A day in the life of a Closer”:



- ***8:05 Ring: This is Angie. Hello, Demi, no the docs did not come in yet. I know your lender told you they were sent late yesterday, but I did not get them yet. I even stayed late last night just in case so I could review the CD and input any changes I need to, but I left about 7:00 and they still were not there. (Sometime they exaggerate the truth). What kind of changes? Well, your lender does not send out the CD ahead of time to the closer to review the charges and make sure they are correct. What kind of charges? When the lender sent out the Closing Disclosure to you 3 days ago, some of the charges may have been an estimate, that's why she told you not to get your cashier's check and to wait for me to call***

and set up the appointment with you and give you the correct amount to bring to closing in a cashier's check. Or arrange a wire. Actually, you will need to arrange a wire because this will be funding tomorrow and I want to be sure it is posted to my account and does not hold up your funding in any way. I know it seems silly to send out a document that is not correct, but that is how some lenders interpret TRID. Oh, what is TRID, it is Tila-RESPA Integrated Disclosure – it is the name of the new process settlement has undergone since 10/3/15 when the CFPB (Consumer Financial Protection Bureau) took over regulating. So as soon as they send me your documents AND their CD, I will then review the CD and change accordingly. What will I change? I will review my fees, title, escrow, and recording and match them to be exactly what the charge is. Then I'll check the pro-rates and things like HOA fees, sewer assessments, and whatever else is on title that will need to be addressed. Then I send these changes to your lender and they then review and send me their FINAL CD (Sometime they call it a Draft) which will be the one you will sign at closing. Sounds like a lot of work, well yes, it is. You think the lender should do this ahead of time so you are not so confused with all these changes, well, I have no say over how the lender interprets TRID – they hire attorneys for that. You think they should have checked with closers first, well, that's a thought! So, let's get back to the real world. I'll call you as soon as this is done and give you the amount and set up a time. Fine, talk to you soon.



8:10 AM Ring: This is Angie. Hello there Bonnie, (Bonnie is the buyer broker) how are you. Good, thanks. You want to check on a file that should be signing and funding tomorrow. (Gee, what a surprise, that never happens!) No problem, what is the name? Carl Ritz. I have that file right here. I have it flagged that docs should be in either today or tomorrow and everyone is planning for same day signing/funding. I have all my information updated and my docs drawn already, so I am ready. We are at

the mercy of the lender. No, I don't know what time I will get documents to us but I already have the CD and have balanced with the lender, so all we need is their documents. Yes, I will call you as soon as I get them. Oh, and don't forget we will need one more extension. Thanks



- 8:15 – ***Ring–This is Angie. Hello Annie*** (This is the buyer on the Ash to Brown file – I have two files closing – one Brown is the buyer and another where a different Brown is the seller) – ***no, I have not received your docs yet. I tried to call your lender a couple of times but he has not called me back. Have you heard from him? You haven't heard anything for over one week. Well, you did get your closing disclosure 3 days ago from the lender, right? No, you haven't received anything.*** (Sometimes they do receive it weeks ago, and when I say “3 days” it throws them off. Yep, that's another way some lenders send out the CD. As soon as they can then send it out, to start the 3 days. Then, every time there is a change, another one goes out.) ***That is strange as this one is supposed to close tomorrow. Well, let me try your lender again. Give me your phone number and I'll call you back. You can't receive calls at work, and your cell phone is disconnected. Okay, why don't you call me back in about 1 hour? No, 15 minutes is a little too soon.***



- 8:20 Ring. ***This is Angie.*** – Random call: ***Good morning Sue: How can I help you. Let me pull the file. The lender just called and said they would need another extension. Yes, if you can send me a copy of it when signed that would be great. Yes, I'm seeing in the file it has been extended 5 times already. Problems with the buyer? Well, that happens sometime. It's a good thing the seller is being so understanding. Oh, this is the last extension they will sign. Well, hopefully this one will do it. Okay, I'll talk to you soon.***



- **8:20 AM Ring: This is Angie. Hello Maryann. Yes, Demi just called me; no, we did not get the documents in yet. Yes, I'm going to call the lender right now to find out when I will be getting them. Yes, I understand this has to fund by tomorrow. I will call and check with the lender right now.**



- **8:30 AM I dial the phone: I check my emails again, no documents. Hello Tyson, this is Angie, how are you? Hey, just checking on the docs for the Green transaction. We already balanced on the CD. Yes, I love how your office does that ahead of time, before the CD goes out to the buyer. I stayed late last evening but still no docs, can you check with your doc drawer on that, as they are all waiting. This one must sign and fund today so that the sellers can sign on their new home tomorrow with another title company. Okay, thanks a lot.**



- **8:35 – Ring – This is Angie. Hello Tom. No, I don't have docs yet. I know, we were promised them late yesterday, but not here yet. I know, I wish we could get all lenders to send them ahead of time. Matter in fact I know of a couple of lenders who send the documents 7-10 days ahead of the projected closing date. Yeah, we sure do love that way of doing it, especially when it is an FHA or VA so we can get those one or two sellers documents out and signed ahead of time when we have an out of the area sellers. I just talked to the loan officer, Tyson and he is checking. Of course, I'll work on your file first when I get them. I know you are a great client and send everything to me when you can and I appreciate that a lot. Yes, we will make this happen on time. I have already balanced the CD with the lender and I have my documents done, so just waiting for**

the lender's docs. Yes, I heard they are going to do a same day signing/funding on this one, today, as long as we get the docs back to them by noon today. Yes, this particular lender does not normally fund on the same day. I heard about the "situation" that happened at their office yesterday. Well, I guess in this case, screaming and swearing got the job done! Oh, they have a restraining order against you, I didn't hear that part. Yes, I know you will do anything for your clients.... you kind of proved it yesterday. Well, it's now 8:35, why don't you have your seller come in at 10:00 but let them know I don't have the documents yet. There may be some FHA documents of the lenders I may have to scan to the seller and have them sign and return by noon, if they are not in by 10:00 – okay, you'll call them to set up the time, thanks so much.



- *9:15 –Ring: This is Angie. Hello Mr. Ash. No, the buyers docs have not come in yet. I was just getting ready to call the lender to see when I can expect them. You want to come in and sign today at 4:30 – well, as soon as I get the documents I will work this one up and have you and Mrs. Ash come in as early as possible so we can get this back to the lender so they we can fund this one tomorrow. This particular lender does not send out the CD ahead of time, so when I get it, I'll have to review for any changes in the amounts and send back to the lender for their blessings. I already have your documents done, as well as your CD. Yes, it was a lot easier when the closer handled both sides of the closing statement, but we have to adjust with the change in times. How about if I call you as soon as I hear from the lender, as there are some VA forms you and Mrs. Ash will have to sign that will be in the lenders packet. Oh, is that right, Mrs. Ash is out with friends celebrating the sale of the house, finally. Yes, I know this is the 3rd time you have sold the property. No agent on any of the 3 transactions. Mrs. Ash won't let you use an agent because she plans on shopping with the commission money and thought you could save that money for her! Do you know when she will be home?*

No, you don't. She never lets you know. Well, are you able to contact her to arrange a time when she needs to come in and sign? Oh, she doesn't like it when you call her. Well, do you want to give me her number and I'll call her. No, you can't do that either as she may have had a few drinks by then. Well, I hope she is still able to sign because if she appears to not have her faculties in order, I won't be able to sign her. So, please tell her to not to have too many cocktails. Oh, you can't tell her what to do? Well, then let's hope we get docs in before she has too many! Yes, I am looking forward to finally meeting you too. I know, with the other two transactions and this one, I bet we have spoken over 100 times on the phone. I'll talk to you soon.



- ***9:45Ring – Hi, this is Angie. Good morning Tiffany. You have a new one for us, great thanks. A problem, well tell me about it. Husband was awarded property in divorce decree, okay, and ex-wife has a lien on property for \$50,000.00, okay. Not enough proceeds to pay her off. Well, give me the property address so I can look this up to see if there is any other wording on that decree and I'll get back to you. The husband does not want to have to talk to the ex-wife. Oh, ugly divorce, well that happens. She tried to kill his girlfriend. Was that after the divorce or during? Oh, it was while they were still married. Well, that's a different story, huh? Well, let me check it out and I'll get back to you.***
- Processor comes into office – I have a question on this title report. There is a deed of trust on here from 12/12/89 that was never cleared off title. And the lender is Seafirst Bank and they are no longer in business. What do we do? Well, it's almost 30 years old which could make it out by time. Good thing it is a deed of trust and not a real estate contract or we'd have no choice but to tell the sellers they have to hire an attorney to do a quiet title action. Look up on that website I gave you. Pull the deed of trust copy. Then go on the FDIC website to see if you are able to match up address of property, borrower's last name or loan number to see if active or not. This

is that website that helps you obtain a release if it was a “failed bank”. Follow their instructions and then let the real estate agents know what you are attempting to do. We have had great luck in doing this, especially if it is caught right at the beginning, as it can take 3 or 4 weeks to obtain a release.

- 10:00 sellers signing appointment with Moore – explained to them again I don’t have lenders docs, should be any moment and there are a couple of forms I’ll scan to them to sign and return to me.



- 10:10 – Random call. This is Angie. Hello Mrs. Geno, how may I help you? You just got an analysis of your escrow reserve account? Yes, I understand your concern. Give me the address of the property so I can pull up your information on my computer. Let me see, I have it now. Your closing was October 2019. Brand new home, I see. I see at time of closing your taxes were assessed on the land only. Yes, that is correct. So now you have a statement that says your payment has increased by \$219.22 per month. I understand, yes, that is a quite an increase. Let me pull your closing file from storage to review a couple of things. Hold on a second, please. Okay, I have your file. There is a document you signed at closing called Omit Tax Statement. It states that your taxes were based on the land only and there would be a “SUBSTANCIAL INCREASE” in your payment when the property is assessed with the newly built home included. Yes, I would consider an increase of \$219.22 substantial. You don’t remember signing this form. I sure can send you a copy if you wish. I’m sorry you are so upset about this. No, I don’t think you can do anything about it. Perhaps you may want to call your lender to discuss.

Note: Most lenders compute the payment to include what the taxes will be with the home value assessed in the future so the client is used to making that amount of payment. And, sometimes the client will get a refund because taxes are not assessed that next year, but advise them to not spend that refund because the Treasurer has the right to review that account in the next calendar

year and re-assess with the correct amount and they bill the client! And, then we have other lenders, not many, who collect reserves based on the land only and then BAM, the irate client like I just got!



- 10:20 – Closer calls Tyson the lender on the Moore-Green transaction- ***Hello Tyson, any docs yet...They are being sent right now, Okay, let me check again.... yes, there they are. Thanks so much. I'll print and arrange to get the buyer right in. Thanks***

- Printing documents



- 10:22 – Closer calls selling agent, Maryann – no answer – left message on answering machine that I'm calling the buyers to come in about 10:45; we always call the agents first out of respect. Some like to be present at the signing appointment.



- 10:25 – closer calls Green and asks if they can come in at 10:45 to sign and they can. Thank God, their agent called them ahead of time and gave them advance notice of possibly being called at the 11th hour to come in to close. I gave them amount of wire that would be needed. Said they already went to their bank and got a cashier's check. Told them that would not work because the money would have had to been in our account already in order to fund and record today. They will stop at their bank and turn in the cashier's check and arrange wire.... might be a few moments late.
- Closer puts the file together for the buyers signing (takes about 15-25 minutes. Now bear in mind the closer is continually checking emails and

VM throughout the day (*the average busy desk will get about 100 emails and 35-50 phone calls – some clients are persistent or very needy*).



- 10:29 AM Ring: ***Good morning Sally. Yes, let me get into that file – you say it is Smith- can you give me a first name as I have two Smith files funding today or our file number. Okay, here is it, let me pull it up on my screen. What is the wire amount? - \$429,622.22 – perfect – that is exactly what I have. Okay, to release, thanks. I already sent the recordable documents to our title branch yesterday on hold so that part is done. Now, I'll set up the wire and when it gets in our wire department will let me know. Then, I'll release recording. One down 3 more to go.***



- 10:32 AM Ring –***This is Angie. Good morning Ruthanne – you have two of them ready to balance with, perfect let me pull the files – I think it is Seller and James III – right, I have here. Let's do Seller first. Yeah, crazy, huh, this one confused me a lot too. Buyers last name is Seller and Sellers last name is Buyer – what are the chances of that? The wire amount will be \$296,420.01 – thanks, that is exactly what my screen says. And now, let's do James III- what is the amount? \$120, 302.66 – my screen says 120,241.91 – let me look at the interest pro-rate - oh here is the difference – I had it funding on Friday so with the per diem of \$20.25 – that is exactly the difference. Okay, I'll set up this wire. Closer sets up wire in the bank screen. – only one more to go now!***



- 10:40AM Ring –***This is Angie. Hi Marie – yes, I'd love to balance with you on Smith – what are you showing \$118,202.00 -perfect – we balance – thanks so much! I need to get this wire set up too. Okay so I've balanced with the lenders on my 4 funding's for today.***



- 10:45 – *Ring –This is Angie. Hello Tom, yes, I have that file on my desk now – Ritz to Mayer. Do you know when I’ll get docs – late this afternoon, okay, I’ll be on the lookout as that one will sign and fund tomorrow and everyone is aware, we will be rushing...yes, rush is the new norm, huh? Yeah, I hate it too, but what can we do?*
- 10:45 –Buyers are here for their appointment- I’ll have to sign them rather quickly but they already know that. *Hello, I’m Angie and I’ll be handling your signing today. Hello Maryann, so glad you got my message. What, you didn’t get a closing statement to review before closing???? Well, Maryann, I do apologize, but I just got the documents at 10:15 – 30 minutes ago and have not had a chance to send out ahead of time. I understand you would like to review prior to your clients, but sometimes we are not able to get this done with the time we are given between receiving documents or approval and the actual time of signing. Let me go print you a copy to review while we are signing because remember, we need to do this signing in record speed so I can scan them back to the lender in time for this to record and fund today.*
- 11:15 – Boy, that was record time for buyers signing appointment, but they were very well-informed buyers. Sometimes, that happens.... And it makes my job so much easier. I’m going to give this to my assistant to scan back to the lender; get the originals scanned to the title department on hold, so this one can record and fund early tomorrow. Hopefully Moore’s purchase at the other title company can happen tomorrow. Fingers crossed – it sometimes doesn’t happen the way we plan for it to go when it is a domino transaction.... which so many are these days. I really think this must be the toughest part of an agent’s job.... the coordinating.... Selling one home, getting the money and purchasing another one with new financing....and everything that goes on in between. Sellers are moving out the front door and buyers are coming in the back!

- Better check my emails – oh, three wires are in.... let's see \$120,302.66, that is James III and \$429,622.22 that is Smith and \$118,202.00, the other Smith
- 11:20 AM Emailing to Yvonne who does our recordings and is located at the title plant on Cataldo. Yvonne: I need to release recordings on three files 88466, 89001, 89666, and there should be one more soon....



- **11:25 Ring –Hi, this is Angie. Hello Ms. Brown. No, I did not get in docs yet. I checked with the lender but have not received a call back yet. Mr. Ash called me too. (I understand the urgency) Okay, call me in about 1 hour and hopefully I'll have some information for you.**



- **11:30 – Closer dials phone. Good morning Chad, so glad I finally reached you – sorry for leaving you 4 messages on your voice mail and all those emails, but I'm getting so many calls from both the seller and buyer. You do know there are no real estate agents, and the sellers are elderly and this is the third time they have tried to sell this home in 2 years. Please tell me you are sending documents and that the CD went out 3 days ago. What do you mean we won't be getting docs, ever? You confirmed Browns employment and she no longer works there – she was fired last week. Have you told her that you will not be able to give her the loan? No, well, what are you waiting for – she has movers all lined up and the sellers are packed (again) and out of the house! You'll call her right now, well, that is good. What about the sellers. No, I'm not doing it. No, there are no real estate agents, so that means it would be up to you. It's not my job, I have my limits! Okay, so please call both parties so they will stop calling me. Thanks, yes, I wish there were agents in this whole transaction.....these people really don't have a clue what they are doing.**

- 11:50 – I wonder where the wire is on the Seller file – still not in.

- 11:51 - Email from wire department.... mystery wire - \$296,420.01 – oh, it’s mine! I must have gotten so busy I forgot to set up my wire – I’ll claim it and release recording. Now, my 4 funding’s for today all wires are in and released for recordings



- 12:00 – Ring – ***Oh, hello Mrs. Ash. Has Chad the loan officer called you? Oh, I’m glad. Did you understand what he said? What do you mean, he said for you to call me that I had something important to go over with you on your closing! (I cannot believe that*\$@! @) Well, it seems that Annie Brown lost her job last week and when the lender went to verify her employment, which all lenders do, that is what they were told. What does that mean???? Well, it means they cannot give her the loan! I know this is the third time your transaction has failed. I’m, really sorry this happened. What, you’re going back out with your friends to drink... Wish I could come with you, Oh no, I couldn’t but thanks anyway!***
- 12:30 – Gee, no wonder I’m hungry. With four funding’s waiting for recording numbers and one more for tomorrow not in yet, I think I’ll just walk over to the gas station next door and get something – healthy, right? If you look at the lunchroom table you will see there is an assortment of “junk” food! Everyone contributes chips and dips at different times....it appears to be bare right now so I’ll get a few things to donate I call it the “Table of Shame”. Sometimes there is such an assortment of donuts, cookies and bagels.... a smorgasbord of carbs!



- 12:35 PM Phone rings, ***hi, this is Angie. Hello Mark, how can I help you? You are selling your home to a buyer and are not using a real estate agent – need to save the money. Okay, I understand. I will need you to complete a purchase and sale agreement and all parties will have to sign and send to me. No, I don’t have a form. You can download one from a website. No, those forms are the property of real estate agents,***

the NWMLS and cannot be used by non-agents. What does it have to say? Well, the normal things like who the parties are, the address, sales price, closing date. No, I cannot help you fill out this form. It is not an approved LBP form. What is LPB; well it is the Limited Practice Board, a committee that approves certain forms that LPO's can use in a closing transaction. What is an LPO? It stands for Limited Practice Officer. It is a license that I retain in order to do closings in the State of Washington. Oh, you never heard of it before. Well, Washington is the only state that has this designation. (I really don't have time for this!) Okay, so you need to download a form and complete it and get it to me and we'll start the process. Are the buyers getting a new loan to purchase your home? Oh, you don't know. (Oh Boy, can you see why I hate FSBO's – they really do expect me to do all the work of the agent and not pay for the services!) I hate FSBO's. Okay, well, get me that form and then your buyer will need to take it to their lender of their choice. I will open title. What is title? Hey, can I call you back a little later; I am right in the middle of doing something that is time-sensitive. What is time-sensitive? HELP! Please let them see the light and hire an agent!

- I better check emails again- been so busy on the phone. Oh, here is one from XYZ lending – Tom – he is the lender on the Ritz to Mayer transaction – And, the Mock CD is attached so I can work on it. Let's see what kind of fees he has – oh, he left off the recording fee. He plugged in \$250.00 and with the deed, deed of trust (and the pages, it will be \$225.50, plus there is a power of attorney of \$104.50 and a quit claim deed for \$104.50 plus the \$10.00 surcharge – he is off! Oh, I bet that will affect his tolerance. Or perhaps it will just be a lender credit, either way; the buyer will not have to pay the difference because it was not disclosed ahead of time. This probably happens in 20-30% of the time. Nationwide, they say the average a lender “eats” about \$200.00 a transaction. Oh, and, they forgot the HOA dues and the pro-rates. They hardly ever address these fees. And, the title of course. He has the Alta lenders at \$942.47 but it is actually, oh, only \$2.00 difference, that's not too bad. Let me re-send this now for approval.



- 1:15 Ring: ***This is Angie. Hello John, I was just working on your file. The lender sent me the Closing Disclosure and I updated and just sent to the lender for approval. No, I don't have an amount for you yet, not until the lender approves it. I'd love to give you an amount right now, but until the lender puts their blessings on it, it may not be correct. I'll call you back shortly. Yes, we are planning to sign and fund tomorrow. I know, there were already two extensions. It was supposed to close 8-15-20. I'm sure the seller has been very anxious – so have you! I'm sure you have been. Well, we will need one more extension as the last one was for 10/1/20. You say the seller refuses to extend one more time, well, the lender and I will both require it. Oh, he'll sign it at closing. Wants to be sure. Well, we will accommodate him the best we can, but we will need an extension agreement or we cannot close. I'll call his agent. Okay, I'll talk to you soon.***



- 1:30 Ring –***This is Angie. Hi Tom- how does the CD look? Yeah, I know the recording fees are higher than you quoted. Yeah, a power of attorney and a QQD is needed. Because you did not quote it correctly, you'll have to eat it, I'm so sorry. Okay, will you have someone send me the revised CD showing the credit for the tolerance? Thanks***



- 1:35 – Closer dials phone (*Thinking*) ***Okay, call him and then let me know. As soon as I get documents I'll call and set up time for first thing Hello Bonnie, this is Angie – hey, I should be getting docs anytime now on Ritz to Mayer – I'll need that extension. Yeah, the buyer told me that the***

seller refused to sign one. He'll need to sign one more extending to tomorrow 11/22/20 –Thanks

- 1:40 recording numbers are in on 3 of my files.... let me check to see if any need wires out and see how many I can get out in the next few minutes.... Here is Thomas to Smith – looks like the payoff is over \$200,000 so it will require a little different process. We set up the wire out, the wire department will transmit it out, and then some other person will verify to confirm amount and where the wire is being sent to. All this is in place because of so much wire fraud happening in the industry. It is a good thing, the extra steps!
- 3:10 – okay, wires all done, I hope the seller's proceeds check on Brown to Smith gets in his checking account – if not, I know I'll be hearing from him shortly. I did tell them at signing that if it was anytime near 3:00 it may not hit their bank until the next day, but I really think they have "selective" hearing.
- 3:15 – I better get checks cut on James III, Smith & Smith
- Checking emails, 11, more, 4 voice mails– I better return these two right away.



- 3:25 – Calling Bobbi, James' buyer's broker – ***Hey Bobbi- all recorded. Do you want to pick up your commission check or have it delivered? Okay, I'll put it in bin for you to pick up this afternoon. Thanks so much! What, yeah, wasn't that crazy, I didn't know what to do when the husband saw those six other last names on the wife's affidavit of identity – guess she never told him about all her other failed marriages.... crazy how things come out at the signing table! But this one is over and done!***



- 3:30 – Calling Sally, buyer broker for Johnson – recording – ***Hey Sally, this is Angie, wanted to let you know the Johnson to James is recorded. I'll have your commission check put in the delivery service for you – thanks so much for the business.***
- 3:35 – calling Tamara – ***hey Tamara, this is Angie. Smith is recorded. Yes, can you believe it? Oh, you are so welcomed. No problem, I didn't mind going to the hospital to sign her yesterday. Yeah, did you see the mean looks I got from the nurses in Labor & Delivery? They just did not understand the urgency. Momma wants to come home with her new bambino to a new home! Yeah, we were just doing our job!***
- Julee comes in – Hey Angie, Bobbi is here to pick up her check and wants to talk to you. Okay, thanks – I'll be out front in a few moments.



- 3:40 – calling Todd – (answering machine) ***Hey Todd, this is Angie. all recorded – I'll send your check in the delivery. Thanks so much***
- 3:40 I go out to front of office – ***Hello Bobbi – here is your check; you wanted to speak to me. Oh, in private, no problem, let's use a conference room as my desk has so many files on it and with best practices in place, I didn't have time to clear them. Let's see, oops, no room is open. Let me go back to my office and clear a few files – I'll be back to get you.***
- 3:41 –It sounds like something important she wants to talk to me about. This closing went pretty smooth, just the little hiccup in the wife not letting the husband know she was married 6 times before. ***Okay, Bobbi, come on back to my office. What's up? You just wanted to tell me how wonderful this closing was, well thanks so much, I really appreciate it. That was very kind of you. And, what is this, a card? Oh, you are so sweet! Okay, well, a pleasure as always.***



- 3:55 – Let's see I had four funding's today. I have recording numbers on three, wonder why I don't have them on Buyer to Seller yet. Let me call title to see why. ***Hello Yvonne, this is Angie – can you check on recording numbers for file # 88466, what, it never was released for recording...Oh darn, I must have forgot...Can you get it e-recorded right away? You can, thanks. Oh, the excise tax check the runner already left. Do you have someone else who can run it to the courthouse? Yeah, I must have been interrupted with a phone call and forgot. My mistake. Thanks! So glad I thought to call.***
- 4:15 – No documents on Mayer yet and I haven't seen the revised CD yet – wonder what is happening -he did say I'd get them by late this afternoon. I still need to make appointments with the clients.
- Julee comes in with another problem file – we work on the title issue for about 25 minutes
- 4:35 PM Answer more emails, return 5 more calls– now there are 26 more emails on my computer and 6 voice mails! Will I ever get caught up!



- Ring – ***Hello Chad, this is Angie– Mr. & Mrs. Ash are going to file a suit against your office and mine- for what? Well, the purchaser got fired from her job – we had no control over that. You can't possibly give her a loan nor would any other lender. They said they are going to an attorney who specializes in seniors and people who knowingly try to hurt them. What, are you kidding? Well, good luck to them. I'll tell my boss this one is coming. No, he won't want to team up with your company – we have our own attorneys, and besides, we are the escrow company following instructions. Yes, of course we had a purchase and sale agreement signed by all the parties. What do you mean can you have a copy of it – you must***

have a copy in your file? How could you have ever processed this transaction without it? Yes, I'd be glad to send you a copy – good bye.

- 5:15 – Yvonne just emailed me recording numbers on Buyer to Seller – thank goodness!
- 5:20 – cutting check on Buyer to Seller – better call the seller (who is Buyer)



- 5:20 – Mr. Buyer, your check is ready. Yes, all recorded and funded. You wanted to come into our office to get a check. Why it is our trust account check with Washington Trust Bank. No, you did not mention at the closing you wanted a cashier's check. Well, I can arrange for that with our bank but it would not be ready for pick up until tomorrow morning. You won't give the Sellers the keys, oh I forgot your buyers last name is Sellers, it sure has been confusing, you being the seller, but last name Buyer, and vice versa... Yeah, what are the chances? Well, I know the purchasers were hoping to move in this evening. You will need to talk to your agent about possession. No, the closing/funding date is not tomorrow. It is today. Your money is ready for you. I understand it is not the way you wanted it remitted to you, but technically, it is funded and closed. Okay, talk to your agent Katy.



- 5:50 – Ring- ***Hello This is Angie, Hi Katy. I know, I talked to Mr. Buyer already. He would like a cashier's check and I can't get to my bank until the morning to get it changed for him. No, he didn't say anything about it at the signing appointment. I know, he said keys would not be exchanged until he got his check. What are you going to do? Well, good luck with that. Thanks***
- 6:10 –Closer checks email again. Oh, here are docs – Hope it is Ritz to Mayer transaction, no it is not, it is another file. Are you kidding me? It is on the Keith transaction and the lender is saying it must sign and record tomorrow! And, this is the first I am hearing about this. Better pull the file and start updating and

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getting it ready. Ugh, the payoff is out of date, I'll have to update in the morning. This one was supposed to close on 8/31/20 – we have two updated payoffs on it already. I hope this lender is not one who takes 3-7 days to get us an update. Oh, and of course, we never got the CD ahead of time on this one so we are starting from scratch!

- Is anyone else in the office -Hey, anyone out there? Of course, Julee and Paige are still here. Paige still has a 6:30 signing coming in. Crazy.
- 6:50 – No docs on Mayer yet, but at least I'm not wasting my time here waiting for it. I've got the CD done on the Keith transaction and my portion of the docs are done and the sellers closing disclosure. Sent out the MOCK CD to be approved
- 7:20 – Let me check my email – here are docs on Mayer! Wonderful. I'll download them and get them all worked up and make appointments.
- 7:25 – Oh, here is that card from Bobbi – what is this, a \$50.00 gift card – WOW, that is so sweet! I can't believe it.



- **8:15 PM – Closer dials phone. Hello Bonnie, this is Angie– got in the docs – can Carl Ritz come in at 9:00 tomorrow to sign. Okay, thanks, let me know. Yeah, its late, but you know how the 4-day holiday is?**



- **8:20 PM – Closer dials phone Hello Tom this is Angie, hope it's not too late, but you did tell me to call anytime tonight– hey got in the docs for your brother's loan –Can they come in at 9:30AM as this is a same day sign and fund? I think the courthouse is open to 4:30 as normal, I haven't heard of any early shut-downs yet. Okay, I'll call you with the amount to be wired as soon as I have the blessing from the lender on the CD. Yeah, there were quite a few changes, but the purchasers will be bringing in about \$900.00 less than the original. Yeah, they had the lenders title at \$1,241.02 and it is actually \$501.06 – big difference – yeah, some lenders**

quote the “stand alone rate” but most do not. Someone must have forget to put the credit in the file. Crazy, this business of ours.

- 8:45PM – Okay, I have Ritz to Mayer all worked up, but the CD not approved yet, and Moore to Green will be funding tomorrow but all signed I’ve got the Keith transaction worked up and better call both agents to get that one set up for early signings tomorrow too. I’ll come in early and call because it is too late to call someone who is not expecting it or told me ahead of time it would be okay. So, that will be two same day signing/ funding’s tomorrow -and one other signing.
- 8:50PM – I’ll check my email one more time.... are you kidding me? Docs on McKay – and of course, they want it to sign and fund tomorrow. I may as stay and get this one worked up because the calls will start early in the am. When am I ever going to say NO!

So, there is a typical day in the life of a closer. No, they are not all like that, that would be insane, some are better and many are worst! But your settlement agent does get gratification out of many parts of the job. When you complete a transaction for that “first-time homebuyer” and you see the excitement in their eyes and they thank you over and over! Or, that retired baby boomer couple who is selling their family home and buying an RV and traveling the country – the excitement they have sharing this new adventure with you. So many great transactions, and you are appreciated by many!

NOW, how about some “COMMON ISSUES” we hear about that I feel strongly need to be addressed so they don’t become problems for your transaction.

1. Purchase and Sale Agreement

We understand that some agents do not like to list their clients address, phone numbers or emails as they want to be contacted. We totally get it, and we respect the relationship you have established with your client. We always try to contact the agent first, and then the seller or buyer, but there are times we need to reach someone and it is delaying the transaction. So, if you could provide that information to us by way of an email that would be great. We will make every attempt to keep you in the loop.

2. Earnest money deposit

Lately, more and more buyers will stop into our office with their earnest money check to be deposited. We understand this is a new trend and that that managing brokers even encourage brokers to tell their clients to do this, so we totally understand.

But it is a problem when we enter their name into our computer and it does not come up because we don’t have a copy of the purchase and sale agreement yet. We ask them for the property address, and they know the street name, but not the number. We ask them for their agent’s name and they tell us something like Keller Williams or Windermere as they can remember the actual agent’s name. Tom, it is Tom. But they don’t know Tom’s last name! We cannot accept the earnest money without a file. We try everything because we don’t want to send the client away with the deposit. This is one more person who does not have to handle the money so I get it.

Sometimes we are mailed an earnest money check and the same thing occurs, except, there is no mailing address on the check nor on the envelope, we don’t know where it goes, so we will send out an email

blast to all escrow to see if anyone recognizes the name on the check. This is a very ugly situation when it happens. We even “google” the name to see if we can find that person. Of course, the bank the cashier’s check is drawn on won’t help at all because of “privacy”.

And, cash, we cannot accept cash. We know you told your client that, but again, there goes that selective hearing.

3. Sellers personal information

We send out an opening letter to both the seller and buyer (we are required to do this because your closer has a license as an LPO (Limited Practice Officer) with the Washington State Bar Association and that is in compliance with APR 12, the rule this license is under. We are required to send it out, but don’t receive it back from many of the clients. If we don’t have their email address, we will mail it out. I know many agents get a call from their client telling them they just got a huge envelope from the closer and they don’t really understand it. Some agents even tell their clients, oh, don’t worry about those; they will have you sign them at closing.

Please don’t tell your clients that. We really do need some of that information ahead of time, especially from the seller. If an agent could get the sellers lender and the loan number ahead of time and email it to the closer that would be great. Some lenders will give us a payoff within 24 hours and some require 7-10 days. And, if the property is in foreclosure, it could take 3-4 weeks to get this information, which definitely would delay the closing. Most lenders want us to provide them with the last 4 of the social security number, which sellers don’t necessarily like to provide, but it may be essential to obtaining the payoff. And, some lenders will want a “Borrowers Authorization” from

their borrower. (I have included that in my handouts – a great form for you to have in your toolbox to have signed at the listing appointment.)

4. Home Warranties

When there is an addendum that is part of the PSA that states the seller will provide the buyer with a home warranty and there is a limit on how much will be spent, whose responsibility is it to see that this is provided? If there is an amount, your settlement agent may charge the seller that amount and then follow up with both agents to get that invoice provided so it can be paid at closing. But this is not in stone, and some settlement providers may wait to receive the invoice or they don't include the charge on the seller's statement. Then, it becomes a problem after closing. So, even if you feel it is the responsibility of the "other" agent, take the time to address this issue so that it doesn't become a problem after closing.

5. COMMISSION DISBURSEMENT AUTHORIZATIONS (CDA'S)

We really need these from both brokers. Commission is not the same anymore.... We need it to be verified in writing prior to the signing appointment. Please, help us with this.

Seller's appointment

The closer will contact the real estate listing agent to coordinate the seller's signing appointment or will contact the seller directly to line up the appointment, whatever the instructions of the agent are. The seller's appointment usually lasts between 15-20 minutes, depending on the questions and the review of the documents by the sellers.

Acceptable Identification

The sellers must bring acceptable valid picture ID to the closing and the closer will need to take a copy of the ID to keep in the closing file so they are able to notarize their signatures. The following is State of Washington's acceptable ID:

WAC 308-30-155

Satisfactory evidence of identity.

Satisfactory evidence of an individual identity shall be based on one of the following:

- 1. Current documents issued by a federal, state, or tribal government with the individual's photograph, signature, and physical description.*
- 2. An unexpired passport with the individual's photograph and signature issued by either:
 - (a) The U.S. Department of State; or*
 - (b) A foreign government which is recognized by the U.S. Department of State.**
- 3. The oath or affirmation of a credible person who personally knows the individual.*

REVIEW OF COMMON DOCUMENTS SIGNED BY SELLER:

1. **All terms and conditions:** This form merely says that all terms and conditions have been met. There are no “side agreements” or “verbal” agreements at this time.
2. **Closing Statement or Settlement Statement** This is a one-page document that lists the debits and credits and the bottom line shows what the seller’s net proceeds will be. Some closers like to use this document as it is very easy to read for the clients. It is NOT a required form, so you may not see it at all. At the bottom of this form is a paragraph that closers have to refer to many times when there is an amount to add or prorate after closing:

“This statement is based on information available to the escrow holder as of the date this statement was prepared and the closing date shown above. Actual amounts may change and/or vary depending on updated information received and the final closing date.”

3. **Closing Disclosure (or HUD-1 if a CD is not the required form based on type of loan):** The seller’s CD or HUD-1 is generated by the closer. The Purchaser’s is generated by the lender. The amounts listed as debits and credits on the Closing Statement above, will be identical, but have certain lines they must be on.
4. **Lender’s Alta Settlement statement:** This duplicates the above two documents, but some lenders require it to be signed at closing, so it could be a habit of your closer to just use it, in case that particular lender needs it.
5. **Addendum to Closing Disclosure:** This document is used if there is a Closing Disclosure. The seller has to sign a statement that says:

“I have carefully reviewed the Closing Disclosure and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further confirm that I have received a copy of the Closing Disclosure.”

- **Statutory Warranty Deed:** This document is margin sensitive. When the seller signs this document the closer will be sure to point out that the signature cannot go in the 1” margin on any of the three sides or the required 3” margin at the top. This is because when that document goes to the Courthouse to be recorded in the

recorder's office it fits in a "template" for recording purposes and if anything is in the required blank margins, they reject it and it does not record. They then ask for either a new deed signed AGAIN by the seller or authorization to put a cover page on the document but that costs an additional \$50.00; the deed is the document that conveys the seller's interest to the new purchasers. The closer will be sure to have the purchaser acknowledge a copy of this document to be sure they have the purchaser's name spelled correctly as this is how it will be entered in the county records.

6. **Excise tax affidavit:** This document sets out many important items for the County records. There are eight sections that must all be completed.
 - 1) Seller or Grantor information: It must be completed with names as appearing on the deed, address and phone number.
 - 2) Buyer or Grantee information: It must be completed with names as appearing on the deed also, address and phone number.
 - 3) Send all property tax correspondence to: If the tax statement is to go to the buyer then you check the box that says "*send all property tax correspondence to same as Buyer/Grantee*". If there is someone else who will need the tax statement to pay on behalf of the Buyer/Grantee, this is where you would put their name and address usually a lender or account servicer.

Also, under # 3 in the middle covers where to put the parcel number(s) and to check a box if personal property. **(NOTE: I did not even know it said to check the box if personal property until I dissected this form for this class and I have been doing closings for over 45 years!)** And the third item under #3 is list assessed value.

- 4) Street address of property, then a box to check if the listed parcel is being segregated from another parcel or are part of a boundary line adjustment or parcels being merged. Then the legal is inserted. It must be identical to the legal placed on the warranty deed.
- 5) Select Land Use Code - this is a drop down of all the various land use codes that the closer must choose based on the property type and insert that number. If the seller was receiving a property tax exemption or deferral under RCW 84.36, 84.37 or 84.38 (nonprofit organization, sr. citizen, disabled person or homeowner with limited income)? The closer would need to check yes or no.

6) This box has to do with Current Use Taxes. There are three questions that must be answered and if any of the three have a “yes” then the owner must sign and a continuance must be applied for – if approved, then the Deputy Assessor signs and dates. Typically, in a residential sale, the closer would check “no” in all the boxes.

7) This is a “loaded” box:

- a) List all personal property (tangible and intangible) included in selling price.
- b) If claiming an exemption, list WAC number and reason for exemption.
- c) Type of document
- d) Date of document
- e) Gross selling price
- f) Now the computations: pursuant to RCW Chapter 82.45 and subsequent amendments thereto. The rate of tax to a sale on or after 1/1/20 or properties which are not formally classified and specially valued as timberland or agricultural land is:
 - 1.60% on any portion of the sales price of \$500,000 or less;
 - 1.78% on any portion of the sales price \$500,000 up to \$1,500,000
 - 3.25% on any portion of the sales price above \$1,500,000 up to \$3,000,000
 - 3.50% on any portion of the sales price above \$3,000,000

g. signature of Grantor/Grantors agent and signature of Grantee or Grantees agent with the bold caption above the signature line at says:

“I certify under penalty of perjury that the foregoing is true and correct”

Then, under that, it explains what the word “perjury” means:

“Perjury: Perjury is a class C felony which is punishable by imprisonment in the state correctional institution for a maximum term of not more than five years, or by a fine in the amount fixed by the court of not more than five thousand dollars (\$5,000.00), or by both imprisonment and fine. RCW 9A20.020 (1C)

7. **Utility holdback agreement:** This document will set out how much the closer has decided to hold back from the seller in order to pay any lienable utility charges due at closing. Typically, prior to closing, the assistant will call the creditor on this bill to see if there are any delinquencies on the account. If there are, the closer will obtain this amount, plus ask what the creditor feels could be the estimated amount for the reading to the closing date. Once this combined figure is determined, the closer will hold back an amount that exceeds this amount so they would have enough to pay final bill. The closer’s job is to see that this is paid and in no way

will interrupt services for the purchaser if enough is not held back. Excess amounts are held back in certain months based on use.

8. **Notice regarding closing services (APR12):** If your closer is a Limited Practice Officer, this document is required. It sets out who your LPO is and the number that he/she was assigned when he/she became an LPO from the Washington State Bar Association. It also states that the LPO cannot give legal advice and must refer you to an attorney. It will list the actual documents the LPO will prepare in conjunction with this transaction. Those documents come from the LPO approved document list.
9. **Certification of reporting - IRS 1099 reporting form:** This document will need to have the seller insert their current mailing address and insert their Taxpayer Identification Number (TIN). Next will be to check whether this is their primary residence or not; if they check “no” then all they will need to do at this point is sign and date. Based on that information, the closer will need to send 1099-S Proceeds from a Real Estate Transaction to the Internal Revenue Service Center. If the seller checks “yes” and answers “true or N/A on 6” then the 1099-S is not required to be reported. They would sign and date.
10. **Seller’s Certification of Nonforeign Status (FIRPTA):** The seller will state whether they are foreign citizens or not. Normally, if they are “Nonforeign status sellers” the closer would know this ahead of time as there are documents that need to be prepared. Many closers depend on an outside source such as an attorney to handle this portion of determining how much to hold back and when to remit the funds to the IRS. Many people do not understand that the IRS looks to the buyer for withholding and payment thereof. The form states:

“Section 1445 of the Internal Revenue Code provides that a transferee (buyer) of a U.S. real property interest must withhold tax if the transferor (seller) is a foreign person.”

11. **Closing Instructions:** This is the document that is sent to the seller at the open of escrow and if the seller did not sign and return it, then they are now signed. They give a description of the services and what each of them means.

12. Disbursement of Proceeds/ refund instructions - They have choices:

1. Wired into the seller’s bank account - we would need to know the account number and the bank routing number- a fee may apply from the bank for this service.

2. Seller will pick up our trust account check from the closer's office;
 3. Deposited into an account in which the seller gives us a deposit slip. The closer's office will have a courier do this, then the closer mails the receipt to the seller.
 4. Mailed directly to the seller.
- **Wire Instructions** - Seller will complete with all their banking information - this document needs to be notarized.
 - **Assessment Disclosure:**
The closer will ask the seller if they know of any assessments that need to be paid out of closing that did not show up on title. Such as, paving, sidewalks, etc.
 - **Property Tax Disclosure** - Seller will pick the appropriate box and if taxes were paid.
 - **Sellers instruction to closer to pay off the loan**
 - **Affidavit as to liens and possession** - this is a 3-page document that is mailed to the seller with opening letter, then asked to complete and sign at closing.

SCHEDULE OF APPOINTMENT WITH BUYERS

The buyer's closing appointment is usually 45-60 minutes, once again depending on the time they need to read and sign (and understand) the documents. The number of documents placed in front of them is usually intimidating in size, but there are only 3 things that the purchasers are interested in and they are normally addressed up front to make the process seem less intimidating:

1. Amount of money to close
2. Interest rate
3. Payment amount

These are all things that the buyer should be aware of as they would have received a copy of the Closing Disclosure at least 3 days prior to the signing appointment and must acknowledge receipt of it to the lender to start the 3 days. This is a Federal Rule.

When I was obtaining the information for this class, I asked one of our closers to download for me loan docs for FHA, VA, CONVENTIONAL, HOMEPATH, and was surprised on the "count" of the documents. Now, bear in mind every lender has the "common" documents that must be part of the transaction, and then they have their "lender required" documents. Here is the paper count on the 4 I had her print out for me:

1. FHA 83 pages
2. VA 110 pages
3. Conv 69 pages
4. Conv w/ a 2nd 108 pages

So, with that said, the following is a list of a combination of the “commonly used” but not by all lenders, purchaser’s documents.

1. **All Terms and Conditions** – same as seller’s
2. **Review of preliminary title:** Normally, at the signing appointment when we place this document in front of the buyer and say “this is a copy of the title report your agent would have sent you in the first week of entering into the PSA contract. Did you get a chance to look at this? And if so, do you have any questions?” I would say that about 90% of the purchasers say yes, they read it and understand it. And, then, they will just sign the acknowledgment of receiving it. The other 10% say they did not look at it or they attempted to and didn’t understand it. Then the closer will review the report with them letting know what exceptions will stay and which ones will be removed when they receive their final title report, typically a couple of weeks after recording.
3. **Closing Statement** – same as seller’s but instead it has the buyer’s debits and credits
4. **Closing Disclosure (or HUD-1 if a CD is not the required form based on the type of loan):** This document is 4-6 pages. It is a lender generated form. The lender completes this form and emails it to the closer for review to add or change amounts to be exact if the lender used estimates. Closer emails the CD back to lender and lender reviews and approves. Lender then updates their original and remits it by email back to closer who will obtain signatures on this form. Since the CFPB (Consumer Financial Protection Bureau) took over on 10/3/15 and we have since been blessed with the Closing Disclosure, we really do have a better-informed consumer. It is because of this form. The buyer must receive a copy of this form 3 days prior to their signing appointment. So, at closing, they are merely signing an exact copy of the one they saw 3 days ago. I always start my signing appointment with this document for the buyer and say, you should have seen this document at least 3 days ago. If they took the time to review it, then they will know just about everything about their loan!
5. **Borrower’s verification of employment & financial obligations**
6. **Real Estate Excise Tax Affidavit** – same as seller’s description.
7. **Copy of Statutory Warranty Deed** – buyer will read the deed where their name has been inserted as the grantees to be sure their names are spelled correctly and review the exceptions that will remain on the property. This document just needs to be initialed with one exception.

If the buyers are taking title as **Joint Tenancy with Right of Survivorship**, the buyers will have to sign the front page of the original deed that says this above their signature line:

“The grantees by signing the acceptance below, evidence their intention to acquire said premises as joint tenants with the right of survivorship and not as community property or as tenants in common.”

8. **Notice Regarding Closing Services (APR 12)** same as seller’s description
9. **Closing Agreement and Escrow Instructions for Purchase and Sale Transactions –** Same explanation as sellers.
10. **Uniform Residential Loan Application** (commonly referred to as 1003) This is a duplicate of the original loan application the buyer completed with the lender when they first applied for the loan.
11. **Promissory note:** This document will set out the loan amount, the interest rate, the length of time of the note and the principal and interest portion of the payment. Also, included is the late charge terminology. Whether it is an FHA, VA or Conventional promissory note, the language is pretty much the same. The VA note has a heading that states:

“Notice: This loan is not assumable without the approval of the Department of Veterans Affairs or its authorized agent.”

12. **Deed of trust:** This is a margin sensitive document. When it is sent to the recorder’s office to be recorded it must go into a template and there cannot be any writing in the 3” at the top of the page, or anything in the 1” margin on the two sides or the bottom. So, when the buyer signs this document the closer will be sure to disclose this ahead of time so that the document is not rejected at the courthouse which will delay recording AND, we don’t want that! This is the document that the buyer signs giving the lender a beneficial interest in the property for the amount of the loan and the terms.
13. **MERS attachment to Deed of Trust –** This form is a “tracking” company the lender hires.
14. **Additional “riders” the lender may attach to the deed of trust based on the type of loan:**
 - a) Condominium Rider
 - b) Planned Unit Development Rider
 - c) Revocable Trust Rider
 - d) Growing Equity Rider
 - e) Graduated Payment Rider
 - f) Adjustable Rate Rider
 - g) Non-Owner-Occupied Rider
 - h) Balloon Rider
 - i) 1-4 Family Rider

- j) VA Rider
 - k) Second Home Rider
 - l) Biweekly Payment Rider
15. **First Payment Letter:** The lender will set out on this form when the first payment is, what the total amount is, what the amount will be if it is late and where it is remitted to. Attached to that is normally the payment coupon for payments 1 and 2.
16. **Notice of servicing transfer**
17. **FHA (if FHA) Amendatory Clause**
18. **Loan Quality Initiative Disclosure**
19. **Residential Mortgage Credit Score Disclosure (only some lenders provide to closer)**
20. **Address certification:** The buyer signs and certifies that the address of the property is correct and where do they want the correspondence from the lender to be sent to. If the buyer wants to use a PO Box or different address, this would be the form to put that information on.
21. **Initial Amortization Schedule.** This document shows the buyers how much is applied to principal and interest each month of their loan for the entire term. Many of the first-time homebuyers are very impressed with this form. Some even say they will hang it on the refrigerator to check off a payment each month and watch the balance go down!
22. **FACT Act Notice (Notice Regarding Furnishing Negative Information)** This form has a statement above the signature line that says:

“In accordance with the implementation of the Fair and Accurate Credit Transactions Act of 2003, we are required to provide you the following statement as prescribed by Section 217:

We may report information about your account to Credit Bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.”

23. **Initial Escrow Account Disclosure Statement:** This will set out what the reserve account will be for one year and how much will be collected towards the insurance, taxes or assessments. It shows the buyer the monthly amount of their payment that goes into this “savings” account for them, and when there are amounts to be paid from this account and to whom.
24. **Notice to Borrower - Impound/Escrow Account:** This form explains what an “impound” is and how it works. And in cases where there is a choice, giving the

borrower to right to opt out of having the lender impound account as part of their payment.

25. **Omitted Property Taxes and Voluntary Escrow Agreement:** This form must be signed by the buyers when at the time of closing the property is assessed by the county as “unimproved property only”. This is a very important form for the buyers to understand when purchasing a new construction home. The form says:

“Whereas, buyers names, is aware that the County of Spokane Washington may require payment of an additional amount of tax which represents the differences between the tax as now shown on the property and the tax which could be levied on the property had the Assessor assessed the property including the improvements, and that said difference may become a lien upon the property; and whereas, purchasers name inserted, having been fully informed in this regard, hereby agrees that any such assessment for improvements from new construction will create a shortage in the reserve account for taxes and insurance, and agrees to either enter into a voluntary escrow agreement to offset a shortage for tax assessments.”

26. **Quality Control Release:** This document will inform the buyer that the lender may contact the buyer sometime in the future to ask how they did during the loan process. Were all their needs and questions answered?
27. **Borrower’s income certification:** Once again the buyer will certify there have been no changes in income, debt or marital status since making application.
28. **Borrower ability to repay certification:** This is a disclosure from the lender that based on all the information that was obtained from the buyers, and verified, the lender feels that they have the ability to repay the loan.
29. **Errors and omissions/compliance agreement:** This document says: *“If requested by Lender or Closing Agent for Lender, to fully cooperate and adjust for clerical errors, any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of Lender to enable Lender to sell, convey, seek guaranty or market said loan to any entity, including but not limited to an investor, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal Housing Authority, or the Department of Veterans Affairs, or any Municipal Bonding Authority.”*
30. **Correction agreement limited power of attorney:** This document states: *“The undersigned borrowers for and in consideration of the approval, closing and funding of their mortgage loan, hereby grants, the closing firm and the lender, limited power of attorney to correct and/or execute or initial all typographical errors discovered in any or all of the closing documentation required to be executed by the undersigned at settlement. In the event this limited power of*

attorney is exercised, the undersigned will be notified and receive a copy of the document initialed on their behalf. This limited power of attorney may not be used to increase the interest rate nor change the term of the undersigned's loan, increase the undersigned's outstanding principal balance or increase the undersigned's monthly principal and interest payments."

31. Affiliated business arrangement disclosure statement: In this document the lender will inform the buyer if they have any business relationship with any provider of service to the borrower. The form states: "*There are frequently other settlement service providers available with similar services. You are free to shop around to determine that you are receiving the best services and the best rate for these services.*"

32. Borrower's contact information and certification of employment: This form says:

"This is to certify that I am currently employed at _____, in the position of _____. This is the same position originally disclosed. I certify that my income has not adversely changed since the time I applied for this mortgage loan. In addition, my overall financial condition remains unchanged."

33. Occupancy certification: This document will state that it is the buyer's intent to use this home as their primary residence and intent to occupy the home within a certain number of days.

34. Acknowledgement of receipt of the HOME LOAN TOOL KIT - This pamphlet is given to the buyers at time of loan application. It is required by law.

35. Equal Credit Opportunity Act Notice: This form says:

"The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); or because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act."

36. Occupancy Certificate: In this document the buyer will check the correct box that applies to them as follows:

- a. Primary Residence
- b. Second Home
- c. Investment Property

Further it says the following disclosure:

"Mortgage Fraud is investigated by the Federal Bureau of Investigation and is punishable by up to 30 years in federal prison or \$1,000,000 fine,

or both. It is illegal for a person to make any false statement regarding income, assets, debt, or matters of identification, or to willfully overvalue any land or property, in a loan and credit application for the purpose of influencing in any way the action of a financial institution.”

37. **Flood insurance certification:** This document will let the buyer know if they are in a flood district or not. If they are, they will have already been informed by the lender and flood insurance would be required.
38. **Flood insurance disclosure addendum:** This document says the following:
“Flood insurance coverage is subject to change disclosure: We may assign, sell, or transfer the servicing of your mortgage loan. Your new lender/servicer may require more flood insurance coverage than the minimum amount that has been identified in your Notice of Special Flood Hazards (NSFH). The new lender/servicer may require coverage in an amount greater than the minimum, and has the right to require flood coverage at least equal to 100% of the insurable value (also known as replacement cost value) of the building used as collateral to secure the loan or the maximum available.
39. **Signature affidavit:** The buyer will sign their name as their “true and exact signature”. Sometimes, on the credit report the borrowers name is shortened or spelled wrong and this would be the time they would acknowledge that they are one and the same.
40. **Hazard insurance authorization:** This document sets out who the insurance agent is and what the coverage is and that they understand they must keep the property insured at all times or the lender will place their own insurance.
41. **Certificate of loans to one borrower:** This document is where the purchaser certifies that they have not signed any other paperwork at another lender’s office that would encumber the property they are purchasing.
42. **Appraisal acknowledged:** The purchaser will state that they received a copy of the appraisal prior to the signing appointment.
43. **Certification of conditions met:** This document will state that if there were any conditions, they have been met to the purchaser’s satisfaction prior to the signing appointment.
44. **Request for transcript of tax return 4506-T:** The buyer will enter in their social security number and give permission for the lender to obtain a copy of a certain year’s tax returns in a specified amount of time if needed by the lender or a lender who will be assigned the servicing of the loan.
45. **Request for taxpayer ID W-9:** The buyer will be required to certify that the social security number on the form is their number.

46. Authorization for the Social Security Administration (SSA) to release social security number (SSN) verification: In this form, the buyers will verify that the lender has their social security number correct and then sign and date. The buyers are giving the SSA the authority to provide this proof to the lender when requested.

47. Borrower's Certification & Authorization: This is a three-part document.

- a) Certification
- b) Authorization to release information
- c) VA and FHA loans

48. First Payment Due in Less than 30 Days: I never could understand why a borrower has to sign this form with some lenders, not many. It states: *"I/we hereby acknowledge that my/our first payment on the loan referenced above is due in less than 30 days. I/we hereby certify that the first payment date will not create a financial hardship for me/us."*

49. Fannie Mae Borrower Authorization for Counseling: this form states:

"If I fail to make any monthly mortgage payment as agreed, I understand that the servicer of my mortgage loan may refer me to a third-party counseling organization or a mortgage insurer, which will advise me about finding ways to meet my mortgage obligation. I hereby authorize the servicers to release certain information related to the servicer's own experience with me to such third-party counseling organization or mortgage insurer, and request that the counseling party contact me.

I further hereby authorize the third-party counseling organization or mortgage insurer to make a recommendation about appropriate action to take with regard to my mortgage loan, which may assist the servicer in determining whether to restructure my loan or to offer other extraordinary services that could preserve my long-term homeownership."

50. Notice to the home loan applicant: This form will tell the buyer which three credit reporting agencies were used to determine their credit score. It gives them the name of each of the three companies, address, phone number and website address. The credit score is typically not on this form.

51. Nearest Living Relative Not Living With you: For contact information only in the event the lender cannot reach the borrower, they need this information.

52. Your credit score and the price you pay for credit: Only a few lenders will have this form for each of the borrowers which discloses their credit score. As a closer, we prefer not to have this document in the signing packet as the client really doesn't want us to know this personal information.

53. Demographic information of borrower: The purpose of this form is the collecting of information to help ensure all the applicants are treated fairly. Federal law requires that lenders ask for the demographic information (ethnicity, sex, and race). If the borrower chooses not to provide the information, and they made the loan application in person, Federal regulations require the lender to note the borrower's ethnicity, sex and race on the basis of visual observation or surname.

54. Escrow Instructions from the lender: Many times, the lender will want the buyer to acknowledge the escrow instructions that were sent to the closer to prepare the documents.

55. Borrower Consent to the Use of Tax Return Information

56. Certification of COVID-19 Impact

57. COVID 19 Attestation

58. Civil Union/Domestic Partnership

59. Borrower Property Condition Certificate

60. Authorization to Release Information

61. General Closing instructions

ADDITIONAL FORMS THAT ARE REQUIRED BASED ON THE TYPE OF LOAN THE BUYERS HAVE CHOSEN:

FHA:

- 1. Federal collection policy notice:** *“The Federal Government is authorized by law to take any or all of the following actions in the event your VA guaranteed or VA-financed loan payments become delinquent or you default on your VA-guaranteed or VA-financed loan..... Then it lists all the items then the borrowers have a certification that says: I have read and I understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in*

accordance with the terms and conditions of my agreement to purchase property with a VA-guaranteed or VA financed loan.

2. **HUD/VA Addendum to Uniform Residential Loan Application:** This form repeats all the loan terms for the borrower. It is 4 pages long. The borrower signs it twice on page 2 and once on page 4. On page 2 it provides for two areas. One is the borrowers consent for Social Security Administration to verify their social security information for the lender; the other one is the borrower acknowledging that they will occupy the home within 60 days of signing the security agreement, and that the statement of appraised value was \$_____. Then, on page 4 they are certifying that they have no other outstanding obligations since making application, once again that they intend to occupy the property within 60 days, and finally all fees being paid by them are their own funds, gift funds or acceptable down payment assistant program funds, and not borrowed.
3. **Broker/Agent Certification** - Same as under the seller's documents.
4. **Important Notice to homebuyer** -This is the HUD-92900-B form that so many other forms refer to. It starts out with a paragraph that says: "*You must read this entire document at the time you apply for this loan. Return one copy to mortgagee as proof of notification and keep one copy for your records.*" So, we know that the borrower got a copy of this when they made application, but they get it again at the signing appointment.
5. **FHA Appraisal certificate** - "*I/we the undersigned certify that I/we have been provided with a copy of the appraisal and copy of the Conditional Commitment form HUD92800.5B.*"
6. **FHA Amendatory Clause** - Same as the sellers. This is the document the buyer, seller, listing agent and buyer broker must sign. There are three warning signs on this form:
 - a. *I, the undersigned, hereby certify that I did not receive a copy of Form HUD-92800.5B, Conditional Commitment/DE Statement of Appraised Value, prior to my signing the sales contract to purchase the property.*
 - b. *Then, the next paragraph has the appraised value listed and says: The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation.*
 - c. *Warning: "whoever for purposes of.... influencing such Administration.... makes, passes, utters, or publishes any statement, knowing the same to be*

false.... shall be fined not more than \$5,000,00 or imprisoned not more than two years or both.”

- 7. Mortgagor’s Affidavit-** In this form, there are 11 items of which most of the paragraphs are repeats of what has been covered many times in other documents that have been signed. Above the signature line in bold print is a paragraph that states: *Mortgagor understands and agrees that all of the representations, warranties and covenants in this affidavit are required by lender, and are considered by lender to be essential to the closing and funding of this loan; and that any inaccuracy or omission in the statements above, or any failure by mortgagor to perform all promises set forth above, shall be considered a breach and default of the loan, and shall give rise to all the lender’s remedies otherwise available in the event of a breach or default of the loan.*
- 8. Settlement Certification:** Both buyer and seller must sign this document. I really don’t think either of the parties pays attention to what this document is saying. Here goes: *“I certify that I have no knowledge of any loans that have been or will be made to me (us) or loans that have been or will be assumed by me (us) for purchase of financing this transaction, other than those described in the sales contract dated _____ (including addenda). I certify that I (we) have not been paid or reimbursed for any of the cash down payment. I certify that I (we) have not and will not receive any payment or reimbursement for any of my (our) closing costs which have not been previously disclosed in the sales contract (including addenda) and/or my application for mortgage insurance submitted to my (our) mortgage lender.”*

VA:

- 1. VA Amendment to Sales Contract:** This is the form that has the “escape clause” as follows: *“It is expressly agreed that, notwithstanding any other provisions of this contract, the purchaser shall not incur any penalty by forfeiture of earnest money or otherwise or be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. The purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of reasonable value established by the Department of Veterans Affairs.*

2. Department of Veterans Affairs Report and Certification of Loan Disbursement:

This document is a form that first has instructions to the lender, then to the borrower: *“Respondent burden: We need this information to confirm that the lender has closed the loan in compliance with all applicable VA laws and regulations and the veteran has entered into the loan with an understanding of all relevant requirements and responsibilities. Title 38, United States Code, allows us to ask for this information. We estimate that you will need an average of 15 minutes to review the instructions, find the information, and complete this form. VA cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB control numbers can be located on the OMB Internet page at www.reginfo.gov/public/do/PRAMain. If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about the form.*

3. HUD/VA Addendum to Uniform Residential Loan Application. This is a dual form for either FHA or VA

4. Federal collection policy notice: *“The Federal Government is authorized by law to take any or all of the following actions in the event your VA guaranteed or VA-financed loan payments become delinquent or you default on your VA-guaranteed or VA-financed loan..... Then it lists all the items then the borrowers have a certification that says: I have read and I understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in accordance with the terms and conditions of my agreement to purchase property with a VA-guaranteed or VA financed loan.*

5. HUD/VA Addendum to Uniform Residential Loan Application: This form repeats all the loan terms for the borrower. It is 4 pages long. The borrower signs it twice on page 2 and once on page 4. On page 2 it provides for two areas. One is the borrowers consent for Social Security Administration to verify their social security information for the lender; the other one is the borrower acknowledging that they will occupy the home within 60 days of signing the security agreement, and that the statement of appraised value was \$_____. Then, on page 4 they are certifying that they have no other outstanding obligations since making application, once again that they intend to occupy the property within 60 days, and finally all fees being paid by them are

their own funds, gift funds or acceptable down payment assistant program funds, and not borrowed.

CONVENTIONAL:

- 1. Private Mortgage Insurance Disclosure and Agreement** This document tells the borrower the conditions of PMI. It lists the conditions the borrower must comply with in order to have the PMI portion of the payment deleted.
- 2. Private Mortgage Insurance Cancellation /Termination Data Sheet.** This document gives the borrower dates in which the lender projects the borrower will have the actual dates listed when the first time the borrower can request termination; the date the PMI will automatically terminate;
- 3. Private Mortgage Insurance Disclosure Fixed Rate Mortgage:** This document repeats what the lender informed the borrower when they made application on the termination dates.

SOMETIMES, THESE FHA OR VA FORMS CAN BE A PROBLEM.....

Especially when the real estate listing or selling agent does not attend the closing and the closer receives the loan documents only moments before the clients signing appointment AND it's a same day signing/funding/recording. Then, the closer needs to contact the agent and arrange for the agent to come in and sign those needed documents or email it to them, have them sign and scan back to either the closer or the lender, to avoid delaying funding

The closer has numerous forms to complete and sign too!

- 1. USA Patriot Act Disclosure Borrower Identification:** This is the form that the closer completes based on the identification documents he/she obtained from the borrower. It states: *“To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What that means for you: When you open an account, we will ask for your name, address, date of birth and other identification that will allow us to identify you. We may also ask to see your driver’s license or other identifying documents.”*
- 2. Tax Record Information Sheet:** This form comes with all loan packages and the closer must complete it with information on the taxes and what the name and address of our taxing authority is.

Closing Instructions: The lenders instructions are between 2 pages and as much as 15! Typically, besides all the various instructions, they have a disclosure that says: *“The lender will provide all necessary borrower Closing Disclosures associated with this transaction. The Closing Agent must not provide a separate copy of a Borrower Closing Disclosure under any circumstances. Any revisions to fees, including credits, must be provided to lender for approval prior to proceeding with consummation. For purchase transactions, closing agent must provide lender with fully-executed seller’s closings disclosure with the closing package.”*

Quiz for A day in the life of a closer

1	CFPB stands for Consumer Financial Protection Bureau	True	False
2	A Closing Disclosure is commonly referred to as a "CD"	True	False
3	CD's are primarily used in transactions for FHA, VA and Conventional	True	False
4	All lenders send out the closing disclosure to the closer in the same time frame.	True	False
5	The borrower, MUST have received the CD 3 days prior to signing appointment	True	False
6	The agent will always receive a copy of the CD when it is sent to the borrower.	True	False
7	In Spokane County, the courthouse does not allow "walk in" recordings after 1.	True	False
8	The best day of the week to set as the closing date is Friday.	True	False
9	Fax Funding is when the original docs are scanned to lender for funding.	True	False
10	The lender will always prepare the CD for the borrower and the seller	True	False
11	TRID means "Tila RESPA Integrated Disclosure".	True	False
12	Same day signings and funding can be very stressful to all the parties involved.	True	False
13	Extensions of time to close seem to be very common in this industry right now.	True	False
14	The closer always has to be aware of wire fraud and have double check systems in place within their organization and who they are banking with.	True	False
15	The lender will tell the buyer how much of a cashier's check they need to bring to the signing appointment.	True	False
16	The closer will release recording as soon as the lender tells them that the wire has been sent.	True	False
17	Lenders always quote "worst case scenario" in their fees so they won't have to redisclose later which would delay closing, or have to pay these fees themselves.	True	False
18	Agents are encouraged to get the PSA to the closer before the client drops off the earnest money check.	True	False
19	Many agents do not fill out all the blanks on the form 21 about their clients because they want to be contacted directly.	True	False
20	When ordering payoffs, some lenders require the last 4 of the borrower's social security number and an executed "borrower's authorization".	True	False

I hereby attest that I have read the material and answered the questions.

Signature



Mandatory Evaluation for

A day in the life of a closer

Please fill out the following form and return with your completed clock hour class quiz.

Name/ Company: _____

Address: _____

City, State, Zip: _____

Phone: (personal) _____ (work) _____

Email: _____

License Renewal Date: _____

Signature: _____ Date: _____

1. What are 3 things that you learned from this course?

- 1. _____
- 2. _____
- 3. _____

2. Do you feel the clock hour material was easy to follow? _____

3. Did the material give you information to help you in your profession? _____

4. Will the material help you with future transactions? _____

5. Why did you choose to take this course? Topic ___ Time ___ Cost ___ Ease ___ Other ___

6. How long did this class take you to complete? _____ (a "clock hour" is 50 minute)

How will you pay for this correspondence class?

_____ cash _____ check _____ debit/credit information needed:

Card number _____ exp. date _____

3 digits on back _____ zip code of where bill is mailed _____