

RURAL DEVELOPMENT

SUBJECT: Loan Closing Instructions and Loan Closing Statement

RD Account No: _____

FOR: _____
Name of Borrower(s)

LEVERAGED/PARTICIPATION LOAN:
(1) _____ \$ _____
(2) _____ \$ _____
(3) _____ \$ _____

TO: _____
Name of Closing Agent/Attorney

Reference is made to Form RD 1927-4, "Transmittal of Title Information," dated _____ .

Loan funds will be deposited in your escrow account via an Automated Clearing House transfer on or before the proposed closing date of _____ , 20 ____ . Please notify the Rural Development local office if there are any changes in the proposed/actual closing date. Funds must be handled pursuant to RD Instruction 1927-B (7 CFR Part 1927, Subpart B) and other instructions enclosed.

Notify the applicant of all loan closing requirements and closing date. If the loan is not closed within 5 working days of the proposed closing date, loan funds will be removed electronically from your escrow account.

Our requirements regarding the exceptions in your preliminary title opinion or title insurance binder No. _____ dated _____ , 20 ____ are as follows:

- No. _____ must be removed.
- No. _____ must be changed as follows: _____
- No. _____ must be subordinated to the lien of the United States which will be created at loan closing.
- No. _____ may remain ahead of the lien of the United States which will be created at loan closing.

The applicable requirements checked below must be met at or before loan closing:

- Verify balances secured by liens referred to in the following exceptions:
 - No. _____ must not exceed \$ _____ at loan closing.
 - No. _____ must not exceed \$ _____ at loan closing.
 - No. _____ must not exceed \$ _____ at loan closing.
- Applicant must have provided to Rural Development a paid in full receipt for a one-year standard fire and extended coverage insurance policy or binder, and flood insurance, if applicable. The "United States of America, acting through the Rural Housing Service or its successor agency" must be shown in either a mortgage clause or on the declaration page in the order of priority of their mortgage. The address should be: USDA, Rural Development, Centralized Servicing Center, Attn: Insurance Department, P.O. Box 66876, St. Louis, Missouri 63166.
- All requirements of Form RD 3550-7, "Funding Commitment and Notification of Loan Closing," must be met prior to/or at loan closing.
- Survey.
- Other : _____
- Borrower has rescission rights. The following disbursements must not be issued until the rescission period has expired.

Rural Development loan funds of \$ _____ , Leveraged/Participation funds of \$ _____ , plus \$ _____ (estimate) of borrower's personal funds required by Rural Development to be deposited in escrow with you will be disbursed as follows:

Pay \$ _____ to _____

Pay a sum not exceeding _____ for borrower's share of closing costs.

The instruments and forms indicated in the table below must be completed and executed at, or before loan closing. Within 1 working day from the date of loan closing (or on the 4th working day after loan closing if the borrower has rescission rights), the Closing Agent/Attorney will:

- Overnight mail the original Form RD 3550-17, "Funds Transmittal Report," along with a check made payable to "Rural Development" for the amount listed on the form to: USDA/Rural Development, SL-MO-C2US, P.O. Box 790300, 1005 Convention Plaza, St. Louis, MO 63101. If applicable, include the original Authorization Agreement for Preauthorized Payments along with a copy of a deposit slip or canceled check.
- Overnight mail the original loan closing documents along with signed copies (if indicated) to the Rural Development local office. Include a copy of Funds Transmittal Report along with a copy of the check mailed to USDA/Rural Development in St. Louis.
- If this box is checked, fax signed copies of indicated loan closing documents (front and back, as applicable) to the Centralized Servicing Center (CSC) using Form RD 3550-19 "Transmittal - Closing Documents," as the fax cover sheet to one of the following fax numbers: (314) 457-4571 or (314) 457-4577. Date faxed to CSC: _____, 20____ (date to be entered by Closing Agent/Attorney).

Original to Rural Development Loan Office	No. of Signed Copies to Rural Development Local Office	Provided Signed Copy to Borrower	Fax Signed Copy to CSC	Form Number	Form Name
				402-1	Deposit Agreement and Bank signature card - (if required by financial institution). <input type="checkbox"/> If checked, deposit the balance of funds in a countersignature bank account by making a check payable to the borrower and endorsed as follows: "For deposit only in my supervised bank account in (enter name of financial institution) pursuant to Deposit Agreement dated (enter date of 402-1)." The endorsed check is to be attached to the Deposit Agreement and delivered to the designated bank.
				410-4	Uniform Residential Loan Application
				1924-19	Builder's Warranty <input type="checkbox"/> 1 year or <input type="checkbox"/> 10 years (please check) <input type="checkbox"/> Warranty Deed <input type="checkbox"/> Quit Claim Deed
				1927-5	Affidavit Regarding Work of Improvement
				1927-10	Final Title Opinion
				1940-16	Promissory Note
					First Payment Coupon
				1940-43	Notice of Right to Cancel
				1940-59	Settlement Statement - (or acceptable equivalent)
				1944-14 or 1944-6	Payment Assistance Agreement /Deferred Mortgage Assistance - signed copy to CSC does not have to be approved/signed by Rural Development to be included.
				3550-9	Initial Escrow Account Disclosure Statement
				3550-12	Subsidy Repayment Agreement
				3550-14	Real Estate Mortgage/Deed of Trust - (<input type="checkbox"/> Condominium Rider, <input type="checkbox"/> Planned Unit Development Rider) - Must include legal description (unrecorded)
				3550-15	Tax Information (updated with actual closing information)
				3550-16	Release From Personal liability
				3550-17	Funds Transmittal Report
				3550-22	Assumption Agreement-Single Family Housing Loan
					Addendum to Assumption Agreement during Construction
				3550-29	Document Errors and Omissions Agreement
					Authorization Agreement for Reauthorized Payments

THE FOLLOWING ARE APPLICABLE WHEN USDA IS NOT IN A FIRST LIEN POSITION (LEVERAGED LOAN):

				1927-8	Agreement with Prior Lienholder
					Leveraged/Participating Lender's Promissory Note
					Leveraged/Participating Lender's Real Estate Mortgage or Deed of Trust - Must include legal description (unrecorded)

This form, with the Loan Closing Statement below fully executed, must be returned to the Loan Approval Official with original loan documents.

Name of Loan Approval Official

Date

LOAN CLOSING STATEMENT (To be completed by Closing Agent/Attorney)

I certify that the subject loan was closed on _____, in accordance with RD Instruction 1927-B and other written directions received from Rural Development. Enclosed are the properly executed forms in connection with loan closing.

Signature of Closing Agent/Attorney

Date

FOR RHS USE ONLY:

As the Loan Approval Official on the subject account, I certify that I was responsible for all underwriting exceptions within my authority, for obtaining higher level approval to underwriting exceptions when necessary, and for determining loan approval. I certify that

_____ (enter name of staff member who) verified the borrower's income and credit, that

_____ (enter name of staff member who) obligated the funds in MortgageServ and

_____ (enter name of staff member who) activated the loan in MortgageServ as supported by

documentation in the case file. I further certify that I have examined the loan closing documents and determined that the loan was properly closed in accordance with instructions provided.

Loan Approval Official

Date