# U.S. Department of Housing and Urban Development

Optional Form for Transactions without Sellers

Product of Imperial Web Designs

OMB Approval No. 2502-0491

Name & Address of Borrower:		Name & Address of Lender:		
F		Settlement Agent:		
		-		
		Place of Settlement:		
		Settlement Date:		
L. Settlement Charges		M. Disbursement to Others		
800. Items Payable In Connection with Loan 801. Loan origination fee % to		1501.		
801. Loan origination fee % to 802. Loan discount % to				
803. Appraisal fee to		1502.		
804. Credit report to				
805 Inspection fee to		1503.		
806. Mortgage insurance application fee to		4504		
807. Mortgage broker fee to		1504.		
808.		1505.		
809. 810.				
811.		1506.		
900. Items Required by Lender to be Paid in Advance				
901. Interest from to @\$ per day		1507.		
902. Mortgage insurance premium for months to				
		1508.		
903. Hazard insurance premium for year(s) to		1509.		
		1309.		
904.		1510.		
1000.Reserves Deposited with Lender 1001.Hazard insurance months @ \$ per month				
1002.Mortgage insurance months @ \$ per month		1511.		
1003.City property taxes months @ \$ per month				
1004. County property taxes months @ \$ per month		1512.		
1005.Annual assessments months @ \$ per month		4540		
1006. months @ \$ per month		1513.		
1007. months @ \$ per month		1514.		
1008. months @ \$ per month  1100.Title Charges				
1101. Settlement or closing fee to		1515.		
1102. Abstract or title search to				
1103. Title examination to		1520. TOTAL DISBURSED (enter on line 1603)		
1104. Title Insurance binder to				
1105.Document preparation to				
1106.Notary fees to				
1107.Attorney's fees to				
(includes above item numbers )  1108.Title insurance to				
(includes above item numbers )				
1109.Lender's coverage \$				
1110.Owner's coverage \$				
1111.				
1112.				
1113.				
1200. Government Recording and Transfer Charges		N. NET SETTLEMENT		
1201.Recording fees: 1202.City/county tax/stamps:				
1202.City/county tax/stamps: 1203.State tax/stamps:		1600.Loan Amount	\$	
1204.				
1205.		1601. <b>Plus</b> Cash/Check from Borrower	\$	
1300.Additional Settlement Charges		4600 Minus Tatal Cambras of Character (1)	¢	
1301.Survey to		1602. Minus Total Settlement Charges (line 1400)	\$	
1302. Pest inspection to		1603. <b>Minus</b> Total Disbursements to Others (line 1520)	\$	
1303.Architectural/engineering services to		Total State	7	
1304. Building permit to 1305.		1604 Fauals Dishursements to Berrower	\$	
1306.		1604. Equals Disbursements to Borrower (after expiration of any applicable rescission period required by law)		
1307.				
1400.Total Settlement Charges (enter on line 1602)				
Borrower(s) Signature(s):				

Public reporting burden for this collection of information is estimated to average 0.35 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

## Instructions for completing form HUD-1A

Note: This form is issued under authority of the Real Estate Settlement Procedures Act (RESPA), 12 U.S.C. 2601 et seq. The regulation for RESPA is Regulation X, codified as 24 CFR 3500, and administered by the Department of Housing and Urban Development (HUD). Regulation Z referred to in the next paragraph is the regulation implementing the Truth in Lending Act (TILA), 15 U.S.C. 1601 et seq. and codified as 12 CFR part 226.

HUD-1A is an optional form that may be used for refinancing and subordinate lien federally related mortgage loans, as well as for any other one-party transaction that does not involve the transfer of title to residential real property. The HUD-1 form may also be used for such transactions, by utilizing the borrower's side of the HUD-1 and following the relevant parts of the instructions set forth in Appendix A of Regulation X. The use of either the HUD-1 or HUD-1A is not mandatory for open-end lines of credit (homeequity plans), as long as the provisions of Regulation Z are followed.

#### Background

The HUD-1A settlement statement is to be used as a statement of actual charges and adjustments to be given to the borrower at settlement. The instructions for completion of the HUD-1A are for the benefit of the settlement agent who prepares the statement; the instructions are not a part of the statement and need not be transmitted to the borrower. There is no objection to using the HUD-1A in transactions in which it is not required, and its use in open-end lines of credit transactions (home-equity plans) is encouraged. It may not be used as a substitute for a HUD-1 in any transaction in which there is a transfer of title and a first lien is taken as security.

Refer to the "definitions" section of Regulation X for specific definitions of terms used in these instructions.

## **General Instructions**

Information and amounts may be filled in by typewriter, hand printing, computer printing, or any other method producing clear and legible results. Additional pages may be attached to the HUD-1A for the inclusion of customary recitals and information used locally for settlements or if there are insufficient lines on the HUD-

The settlement agent shall complete the HUD-1A to itemize all charges imposed upon the borrower by the lender, whether to be paid at settlement or outside of settlement, and any other charges that the borrower will pay for at settlement. In the case of "no cost" or "no point" loans, these charges include any payments the lender will make to affiliated or independent settlement service providers relating to this settlement. These charges shall be included on the HUD-1A, but marked "P.O.C." for "paid outside of closing," and shall not be used in computing totals. Such charges also include indirect payments or back-funded payments to mortgage brokers that arise from the settlement transaction. When used, "P.O.C." should be placed in the appropriate lines next to the identified item, not in the columns themselves.

Blank lines are provided in Section L for any additional settlement charges. Blank lines are also provided in Section M for recipients of all or portions of the loan proceeds. The names of the recipients of the settlement charges in Section L and the names of the recipients of the loan proceeds in Section M should be set forth on the blank lines.

### Line item instructions

The identification information at the top of the HUD-1A should be completed as follows:

The borrower's name and address is entered in the space provided. If the property securing the loan is different from the borrower's address, the address or other location information on the property should be entered in the space provided. The loan number is the lender's identification number for the loan. The settlement date is the date of settlement in accordance with § 3500.2 of Regulation X, not the end of any applicable rescission period. The name and address of the lender should be entered in the space provided.

Section L. Settlement Charges. This section of the HUD-1A is similar to section L of the HUD-1, with the deletion of lines 700 through 704, relating to real estate broker commissions. The Instructions for filling out the HUD-l as set forth in Appendix A of Regulation X provide additional information regarding Section L, if needed.

Line 1400 in the HUD-1A is for the total settlement charges charged to the borrower. Enter this total on line 1602 as well. This total should include Section L amounts from additional pages, if any are attached to this HUD-1A.

Section M. Disbursement to Others. This section is used to list payees, other than the borrower, of all or portions of the loan proceeds (including the lender, if the loan is paying off a prior loan made by the same lender), when the payee will be paid directly out of the settlement proceeds. It is not used to list payees of settlement charges, nor to list funds disbursed directly to the borrower, even if the lender knows the borrower's intended use of the funds.

For example, in a refinancing transaction, the loan proceeds are used to pay off an existing loan. The name of the lender for the loan being paid off and the pay-off balance would be entered in Section M. In a home improvement transaction when the proceeds are to be paid to the home improvement contractor, the name of the contractor and the amount paid to the contractor would be entered in Section M. In a consolidation loan, or when part of the loan proceeds is used to pay off other creditors, the name of each creditor and the amount paid to that creditor would be entered in Section M. If the proceeds are to be given directly to the borrower and the borrower will use the proceeds to pay off existing obligations, this would not be reflected in Section M.

Section N. Net Settlement. Line 1600 normally sets forth the principal amount of the loan as it appears on the related note for this loan. In the event this form is used for an open-ended home equity line whose approved amount is greater than the initial amount advanced at settlement, the amount shown on Line 1600 will be the loan amount advanced at settlement. Line 1601 is used for all settlement charges that are both included in the totals for lines 1400 and 1602 and are not financed as part of the principal amount of the loan. This is the amount normally received by the lender from the borrower at settlement, which would occur when some or all of the settlement charges were paid in cash by the borrower at settlement, instead of being financed as part of the principal amount of the loan. Failure to include any such amount in line 1601 will result in an error in the amount calculated on line 1604. P.O.C. amounts should not be included in line 1601.

Line 1602 is the total amount from line 1400.

**Line 1603** is the total amount from line 1520.

Line 1604 is the amount disbursed to the borrower. This is determined by adding together the amounts for lines 1600 and 1601, and then subtracting any amounts listed on lines 1602 and 1603.