

Closing - 2010 HUD-1

HUD Lines and Sub-lines

In AIM+, you can prepare a 2010 HUD-1 or HUD-1A form for each file. To enter data on the form, open a detail screen for a HUD line, enter the data, and, if applicable, AIM+ performs the necessary calculations. Before closing the detail screen, you can view the information that will print on the HUD in the **HUD Line Preview** field.

You can enter many items, fees, or charges on each HUD line. The first item entered on a HUD line is assigned to the sub-line suffix -1. For example, if you enter multiple payoffs on HUD line 104, the first sub-line is 104-1, the second is 104-2, and so on. When you enter only one payoff, enter it on HUD line 104-1. You can view multiple sub-lines using the record selector (above) to navigate through each sub-line.

When you enter information on only the first sub-line, AIM+ prints the description on the line and the amount in the Buyer and/or Seller columns. When you enter information on multiple sub-lines, the description *See HUD Attachment* prints on the HUD line, together with the total amount of the sub-lines in the Buyer and/or Seller columns. AIM+ lists the detail of each sub-line on a HUD Attachment.

HUD-1 Settlement Statement Attachment			
Bay Area Office, 22 - Bay Area Office, Escrow Officer: Mary Jackson 1901 Ocean View Dr. Bay City, TX 77500			
Closing Date	10/25/2005	Disbursement Date	10/24/2005
		Proration Date	10/25/2005
Continued from Page 1			
		Buyer Amount	Seller Amount
104-1.	to Capital One	(\$2,398.42)	
104-2.	to Discover	(\$2,395.47)	
104-3.	to American Express	(\$2,814.22)	

Change the Screen Type

On many HUD lines, you have the option to change the screen type. For example, HUD line 904 defaults to a *Miscellaneous Charge* screen type, but you can change it to *Interest*, *Homeowner's Insurance*, or *Mortgage Insurance Premium*.

The **Screen Type** field is available only on the detail screens for the HUD lines that you can change the screen type.

For each HUD line, all sub-lines must be the same screen type.

Note: If you enter information on a screen, and change the Screen Type, the information is deleted.

HUD Line Description and Closing Statement Description

Closing detail screens include the **HUD Line Description** field in one of the following formats:

- Pre-printed description with additional text
- Pre-printed description without additional text
- Blank line

Pre-printed description with additional text

The pre-printed **HUD Line Description** displays. This description always prints on the HUD and cannot be edited.

You can enter additional text to print after the HUD line description in the **Additional HUD Line Description** field or you can leave it blank. The text in the **HUD Line Description** and **Additional HUD Line Description** fields displays in the **HUD Line Preview**. The **HUD Line Preview** displays in the **Closing Statement Description**.

You can update the **Closing Statement Description** without affecting the **Additional HUD Line Description** or the **HUD Line Preview**. However, if any changes are made that affect the **HUD Line Preview**, the **Closing Statement Description** field also changes, regardless of any modifications that were previously made to the **Closing Statement Description**.

Note: Prior to closing a HUD detail screen, verify the **HUD Line Preview**. If you are printing closing statements, verify the **Closing Statement Description**.

Pre-printed description without additional text

The Commissions detail screen for HUD lines 700-703 includes a pre-printed description without a field to create an additional HUD line description.

After entering information on these HUD lines, the pre-printed **HUD Line Description** defaults to the **Closing Statement Description** field. You can edit the **Closing Statement Description**.

Blank Line

You must type the description of a fee or charge that you enter on a blank HUD line. In the **HUD Line Description** field, type the description that will print on the HUD line. This text displays in the **HUD Line Preview**. The **HUD Line Preview** displays in the **Closing Statement Description**.

You can update the **Closing Statement Description** without affecting the **HUD Line Description**. However, if any changes are made that affect the **HUD Line Preview**, the **Closing Statement Description** field also changes, regardless of any modifications that were previously made to the **Closing Statement Description**.

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Payee/Remitter Name

Any credit items entered on the HUD indicate money to be sent to the escrow agent by the remitter of those funds. All debit items entered on the HUD indicate money to be sent by the escrow agent to the payee.

Except for adjustments between the buyer and seller, the amount on each HUD line will be received from a remitter or given to a payee. The method of entering a remitter and a payee is the same. The payee or remitter name is required for all charge types on the HUD Settlement Statements. The example below shows all the ways to enter a payee on the HUD detail screen.

Enter the payee in one of these ways:

- Type a party code in the **Payee Code** field and press tab. AIM+ displays the party name in the **Payee Name** field.
- Type the name in the **Payee Name** field.
- Select a party on the file from the **Payee Name** list. This list includes all parties entered in File Data Entry. Your options are *All Buyers*, *All Sellers*, and each individual party to the file.
- Select a name from the parties database. To do this, follow the steps below.

Select a Payee Name from the Parties Database

1. Click the **Find and Add Party from Setup** button

2. Enter the criteria in one or more of the **Criteria** fields.
 - Party Code** – Type the code of the party you want to add.
 - Last Name or Business Name** – Type the beginning characters of the last name or company name of the party you want to add.
 - Role** – Select the role of the party you want to add.
3. Click **Find**.
4. From the **Results** list, select the payee name.
5. Click **OK**.

Edit the Payee Address

To edit the payee name and address, double-click the payee name and type the correct name and address.

Line Amount, and Buyer and Seller Amounts

The **Line Amount** is the total amount collected at closing for a specific item or fee. On page 2 of the HUD-1, this is paid by the buyer or seller, or it is split between the buyer and seller.

Depending on the default setting for your office, when you tab out of the **Line Amount**, the dollar amount defaults to the Buyer Amount, Seller Amount, or it is split between the buyer and seller amounts.

POC (Paid Outside of Closing)

If all or part of a fee or charge in connection with a real estate transaction was paid directly by a party on the transaction rather than by the escrow agent disbursing the funds, the fee must be reflected on the HUD. Since the amount was already paid, it is not included in the **Line Amount**, **Buyer Amount**, or **Seller Amount** fields and is not included in the total on the HUD.

To include a POC item on the HUD, type the amount that was paid outside of closing in the **POC Amount** field and select the party who paid that amount from the **POC By** field.

Example

When the borrowers applied for a mortgage loan, they wrote a check for \$40.00 to the lender for the total cost of the credit report.

HUD Line Description	Additional HUD Line Description	Closing Statement Description
Credit report	Paid 04/01/10	(if Paid 04/01/10 to Savings of North America)

HUD Line Preview		
801. Our origination charge**	\$7,188.20	(from OFE #1)
802. Your credit or charge (to offset the specific interest rate chosen)	(\$2,000.00)	(from OFE #2)
803. Your adjusted origination charge	\$5,188.20	(from OFE #3)
804. Appraisal fee	\$350.00	(from OFE #3)
805. Credit report paid QMS/PHD to Savings of North America	POC@ \$40.00	\$40.00
806. Tax service	\$100.00	(from OFE #3)
807. Flood certification	\$30.00	(from OFE #3)
808.		

Example

When the borrowers applied for a mortgage loan, they wrote a check for \$25.00 to the lender for the credit report. The actual cost of the credit report was \$40.00, so the additional \$15.00 will be collected at closing.

HUD Line Description	Additional HUD Line Description	Closing Statement Description
Credit report	Paid 04/01/10	(if Paid 04/01/10 to Savings of North America)

HUD Line Preview		
801. Our origination charge**	\$7,188.20	(from OFE #1)
802. Your credit or charge (to offset the specific interest rate chosen)	(\$2,000.00)	(from OFE #2)
803. Your adjusted origination charge	\$5,188.20	(from OFE #3)
804. Appraisal fee	\$350.00	(from OFE #3)
805. Credit report paid QMS/PHD to Savings of North America	POC@ \$25.00	\$25.00
806. Tax service	\$100.00	(from OFE #3)
807. Flood certification	\$30.00	(from OFE #3)
808.		