

Georgia Department of Community Affairs
Community HOME Investment Program
LOAN CLOSING INSTRUCTIONS

TO: Loan Closing Attorney

RE: Loan Closing Instructions

Please find the following loan closing documents:

- * (1) Truth-In-Lending Statement
- * (2) Notices of Right to Cancel
- * (1) Loan Agreement
- * (1) Real Estate Note
- * (1) Deed to Secure Debt
- * (1) Estoppel Certificate (if applicable)
- * (1) Grant Agreement
- * (1) Assignment Agreement
- * (1) Promissory Note

Please make sure that a notary is present to notarize the Deed to Secure Debt. Please make sure no funds are disbursed until three (3) day Right of Rescission Period has passed. All closing costs must be paid out of the Local Loan proceeds. Closing costs are an eligible HOME soft cost. If there is no local loan, DCA will disburse funds for the closing costs. **Please fill in all blank dates on documents with the date of closing.** The following steps shall be followed in the execution of these loan closing documents.

1. Truth-In-Lending Statement (TIL):
 - * Please present the Borrower with the TIL before executing any other loan documents.
 - * Please have Borrower execute.

2. Notice of Right to Cancel (Notice)
 - * Please have Borrower sign both copies of the Notice.
 - * Please have a witness sign each Notice.
 - * Both of these copies are for the Borrower to keep.

3. Loan Agreement:
 - * Please have Borrower fill in date of execution in first paragraph of Loan Agreement.
 - * Please have Borrower fill in date of execution on page 7 of Loan Agreement.
 - * Please have Borrower print name and then execute on page 7 of Loan

- Agreement.
- * If the Contractor's Proposal (Exhibit B) and Addendum to Contract (Exhibit C) have not been signed by the borrower, please have the borrower sign both documents.
 - * Verify that All Risk insurance, in sufficient amount to cover all loans, is in effect. GHFA must be listed as mortgagee on the policy.
4. Real Estate Note:
 - * Please have Borrower print name and execute on page 4.
 5. Deed to Secure Debt:
 - * Please have Borrower fill in date of execution in the first paragraph.
 - * Please have Borrower print name and execute as Grantor on page 6.
 - * Please have an unofficial witness sign on page 6.
 - * Please have a notary sign and notarize on page 6.
 6. Grant Agreement:
 - * Please have Borrower fill in date of execution in first paragraph.
 - * Please have Borrower fill in date of execution on page 4.
 - * Please have Borrower sign on page 4.
 7. Collateral Assignment Agreement:
 - * Please have Borrower fill in date of execution.
 - * Please have Borrower sign on page 2.
 8. Promissory Note:
 - * Please have Borrower fill in date of execution on page 4.
 - * Please have Borrower sign on page 4.

Once all of the above documents have been executed, please return the following loan documents to the State Recipient or Sub-recipient immediately:

1. (1) copy of completed HUD 1 Settlement Statement;
2. (1) copy of executed Truth-In-Lending Statement;
3. (1) copy of executed Notice of Right to Cancel (Borrower will keep two (2) Notices of Right to Cancel);
4. (1) original executed Loan Agreement including copy of executed Construction Contract and Addendum;
5. (1) original executed Real Estate Note; and
6. (1) copy of Deed to Secure Debt;
7. (1) original executed Grant Agreement;
8. Copies of all checks disbursed at closing.
9. (1) Collateral Agreement.
10. (1) Promissory Note

Please also prepare the following copies for the borrowers:

1. (1) original complete HUD 1 Settlement Statement;
2. (1) original Truth-In-Lending Statement;
3. (2) original executed Notice of Right to Cancel;
4. (1) copy of executed Loan Agreement including copy of executed Construction Contract and Addendum;
5. (1) copy of executed Real Estate Note;
6. (1) copy of Deed to Secure Debt;
7. (1) copy of Grant Agreement;
8. (1) Collateral Agreement
9. (1) Promissory Note

Please record the Deed to Secure Debt and send second package to the State Recipient or Sub-recipient containing the following documents:

1. Recorded Deed to Secure Debt; and
2. Title Insurance Policy or Attorney's Certificate of Title.
3. Collateral Agreement
4. Promissory Note

NOTE: THE STATE RECIPIENT IS EXEMPT FROM THE INTANGIBLES TAX RELATING TO THE FILING OF THE SECURITY DEED SECURING THE STATE RECIPIENT'S INTEREST IN THE HOMEOWNER REHABILITATION LOAN.