

SETTLEMENT STATEMENT PROBLEM (S-5)

Settlement date: June 15

Sales Price: \$200,000

Due Diligence: The parties negotiated a 21 day due diligence period with a \$350 due diligence fee

Earnest Money Deposit: \$10,000

Financing: 90% conventional 30 year loan with an 8% interest rate. The lender is charging a 1% origination fee and 2 discount points

Private Mortgage Insurance for the first year due at settlement is based on .5% of the loan
The lender will also collect interim interest at settlement

Brokerage Commission: 6%

Seller's loan payoff: \$115,879

Homeowner's Insurance premium for first year due at settlement: \$650

Real Property Taxes: The annual taxes of \$1,600 will be paid later in the year by the lender from the borrower's escrow account.

Advance Escrow Account Deposits Required by Lender:

12 months real property taxes

2 months hazard insurance premium

2 months PMI based on an annual renewal rate of .3% of the loan

Items paid outside of closing:

Appraisal: \$300

Credit Report: \$65

Miscellaneous Expenses:

Deed Preparation - \$100

Attorney Fee - \$400

Title Insurance Premium - \$280

Survey - \$500

Wood Destroying Insect Inspection - \$85

Recording Fees: Deed - \$12; Deed of Trust - \$22

Excise Tax

Fed Ex to Buyer's Lender - \$25

Fed Ex to Seller's Lender - \$25

↳ mortgage