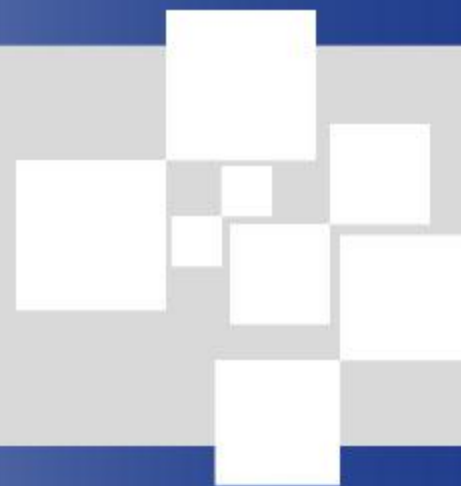




RESPA Reform
HUD-1 Settlement Statement





General Considerations

- ▶ Relation to Good Faith Estimate
- ▶ Lender Responsibility
- ▶ Borrower's Right to Inspect
- ▶ Itemization of charges
- ▶ Identification of providers
- ▶ Borrower and Seller Columns
- ▶ Charges paid outside of closing
- ▶ No cost loans



OMB Approval No. 2502-0265

A. Settlement Statement (HUD-1)

B. Type of Loan

1. <input checked="" type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number: 123456	7. Loan Number: 22222222	8. Mortgage Insurance Case Number: 249-00000000
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				



C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

<p>D. Name & Address of Borrower:</p> <p>Bob Borrower 123 Main Street Anywhere, USA 00000</p>	<p>E. Name & Address of Seller:</p> <p>Samantha Seller 456 Home Place Anywhere, USA 00000</p>	<p>F. Name & Address of Lender:</p> <p>XYZ Lender 456 Main Street Somewhere, USA 00000</p>
<p>G. Property Location:</p> <p>456 Home Place Anywhere, USA 00000</p> <p>Lot 12, Blk 2, Great View Subdivision</p>	<p>H. Settlement Agent:</p> <p>Title Town USA</p> <p>Place of Settlement:</p> <p>222 Your Corner, Any Town, USA 00000</p>	<p>I. Settlement Date:</p> <p>May 8, 2009</p>



Summary of the Borrower's Transaction

J. Summary of Borrower's Transaction

100. Gross Amount Due from Borrower		
101. Contract sales price		\$300,000.00
102. Personal property		
103. Settlement charges to borrower (line 1400)		\$14,358.85
104.		
105.		
Adjustment for items paid by seller in advance		
106. City/town taxes	to	
107. County taxes	to	
108. Assessments	to	
109.		
110.		
111.		
112.		
120. Gross Amount Due from Borrower		\$314,358.75



Summary of the Borrower's Transaction (2)

200. Amounts Paid by or in Behalf of Borrower	
201. Deposit or earnest money	\$2,000.00
202. Principal amount of new loan(s)	\$294,566.00
203. Existing loan(s) taken subject to	
204.	
205.	
206. Seller credit for transfer taxes	\$1,368.00
207.	
208.	
209.	



Summary of the Borrowers Transaction(3)

Adjustments for items unpaid by seller		
210. City/town taxes	to	
211. County taxes	to	
212. Assessments	to	
213.		
214.		
215.		
216.		
217.		
218.		
219.		
220. Total Paid by/for Borrower		
300. Cash at Settlement from/to Borrower		
301. Gross amount due from borrower (line 120)		\$314,358.85
302. Less amounts paid by/for borrower (line 220)		(\$297,934.00)
303. Cash	<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$16,424.85



Summary of the Seller's Transaction

K. Summary of Seller's Transaction		
400. Gross Amount Due to Seller		
401. Contract sales price		\$300,000.00
402. Personal property		
403.		
404.		
405.		
Adjustments for items paid by seller in advance		
406. City/town taxes	to	
407. County taxes	to	
408. Assessments	to	
409.		
410.		
411.		
412.		
420. Gross Amount Due to Seller		\$300,000.00



Summary of the Seller's Transaction (2)

500. Reductions In Amount Due to Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	\$18,228.00
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	\$247,000.00
505. Payoff of second mortgage loan	
506. Earnest money deposit	\$2,000.00
507. Seller credit for transfer taxes	\$1,368.00
508.	
509.	



Summary of the Seller's Transaction (3)

Adjustments for items unpaid by seller		
510. City/town taxes	to	
511. County taxes	to	
512. Assessments	to	
513.		
514.		
515.		
516.		
517.		
518.		
519.		
520. Total Reduction Amount Due Seller		
600. Cash at Settlement to/from Seller		
601. Gross amount due to seller (line 420)		\$300,000.00
602. Less reductions in amount due seller (line 520)		(\$266,596.00)
603. Cash	<input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	\$31,404.00



Total Real Estate Broker Fees

L. Settlement Charges			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Real Estate Broker Fees				
Division of commission (line 700) as follows:				
701. \$ 9,360.00	to RE #1			
702. \$ 9,360.00	to RE #2			
703. Commission paid at settlement				\$16,720.00
704. Earnest money deposit held by RE #2	\$2,000 P.O.C.			



Items Payable in Connection With Loan

800. Items Payable in Connection with Loan			
801. Our origination charge	ABC Broker/XYZ Lender	\$ 6,250	(from GFE #1)
802. Your credit or charge (points) for the specific interest rate chosen		\$ 3,000	(from GFE #2)
803. Your adjusted origination charges	ABC Broker/XYZ Lender		(from GFE A)
804. Appraisal fee to	Appraisal Company		(from GFE #3)
805. Credit report to	Credit Report Company		(from GFE #3)
806. Tax service to	Tax Service Company		(from GFE #3)
807. Flood certification	Flood Certification Company		(from GFE #3)
808.			



Items Required by Lender to Be Paid in Advance

900. Items Required by Lender to Be Paid in Advance			
901.	Daily interest charges from 5/8 to 5/31 @ \$39.59 /day	(from GFE #10)	\$910.57
902.	Mortgage insurance premium for 12 months to FHA	(from GFE #3)	\$5,066.25
903.	Homeowner's insurance for 1 years to Insure-It	(from GFE #11)	\$600.00
904.			



Reserves Deposited with Lender

1000. Reserves Deposited with Lender			
1001. Initial deposit for your escrow account		(from GFE #9)	\$516.03
1002. Homeowner's insurance	1 months @ \$50.00	per month	\$ 50.00
1003. Mortgage insurance	1 months @ \$132.69	per month	\$ 132.69
1004. Property taxes	3 months @ \$ 166.67	per month	\$ 500.01
1005.	months @ \$	per month	\$
1006.	months @ \$	per month	\$
1007. Aggregate Adjustment			-\$ -166.67



Title Charges

1100. Title Charges			
1101. Title services and lender's title insurance	(from GFE #4)	\$925.00	
1102. Settlement or closing fee Title Town USA	\$ 750.00		\$125.00
1103. Owner's title insurance Title Town USA/Title Underwriter	(from GFE #5)	\$725.00	
1104. Lender's title insurance Title Town USA/Title Underwriter	\$ 175.00		
1105. Lender's title policy limit \$ 294,566			
1106. Owner's title policy limit \$ 300,000			
1107. Agent's portion of the total title insurance premium	\$ 720.00 to Title Town USA		
1108. Underwriter's portion of the total title insurance premium	\$ 180.00 to Title Underwriter		



Government Recording and Transfer Charges

1200. Government Recording and Transfer Charges					
1201. Government recording charges			(from GFE #7)	\$50.00	
1202. Deed \$ 25.00	Mortgage \$ 25.00	Releases \$ 15.00			15.00
1203. Transfer taxes			(from GFE #8)	\$1,368.00	\$1,368.00
1204. City/County tax/stamps	Deed \$ 684.00	Mortgage \$ 684.00			
1205. State tax/stamps	Deed \$ 684.00	Mortgage \$ 684.00			
1206.					



Additional Settlement Charges

1300. Additional Settlement Charges			
1301. Required services that you can shop for	(from GFE #6)	\$270.00	
1302. Survey to Measure-It	\$225.00		
1303. Pest inspection to Rid-A-Bug	\$45.00		
1304. Home warranty to Home Warranty Company		\$300.00	
1305.			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		\$14,358.85	\$18,228.00



Charges That Cannot Increase

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	HUD-1 Line Number		
Our origination charge	# 801	\$6750.00	\$6,250.00
Your credit or charge (points) for the specific interest rate chosen	# 802	-\$3,000.00	-\$3,000.00
Your adjusted origination charges	# 803	\$3,750.00	\$3,250.00
Transfer taxes	#1203	\$1,368.00	\$1,368.00



Charges That Cannot Increase More Than 10%

Charges That in Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201	\$50.00	\$50.00
Appraisal	# 804	\$220.00	\$250.00
Credit Report	# 805	\$40.00	\$40.00
Tax Service Fee	# 806	\$54.00	\$76.00
Flood Certification	# 807	\$12.00	\$12.00
Up-front Mortgage Insurance Premium	# 902	\$5,066.25	\$5,066.25
Title services & lender's title insurance	# 1101	\$925.00	\$925.00
Owner's title insurance	# 1103	\$725.00	\$725.00
Total		\$7,092.25	\$7,144.25
Increase between GFE and HUD-1 Charges		\$ 52.00	or .8 %



Charges That Can Change

Charges That Can Change			Good Faith Estimate	HUD-1
Initial deposit for your escrow account	#1001		\$306.60	\$516.03
Daily interest charges	# 901	\$39.59 /day	\$39.59	\$910.57
Homeowner's insurance	# 903		\$650.00	\$600.00
Survey	# 1302		\$250.00	\$225.00
Pest inspection	# 1303		\$45.00	\$45.00
	#			



Loan Terms

Loan Terms	
Your initial loan amount is	\$ 294,566
Your loan term is	30 years
Your initial interest rate is	5 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ 1,713.98 includes <input checked="" type="checkbox"/> Principal <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Mortgage Insurance
Can your interest rate rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of % . The first change will be on and can change again every after . Every change date, your interest rate can increase or decrease by % . Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than % .
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$.
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$.
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years on .
Total monthly amount owed including escrow account payments	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input checked="" type="checkbox"/> You have an additional monthly escrow payment of \$ 216.67 that results in a total initial monthly amount owed of \$ 1,930.65 . This includes principal, interest, any mortgage insurance and any items checked below: <input checked="" type="checkbox"/> Property taxes <input checked="" type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>



Common Questions

- ▶ Old or New
- ▶ Tolerance
- ▶ Re-disclosure
- ▶ APR/TILA
- ▶ FHA 1% Origination Fee
- ▶ Seller Paid Fees
- ▶ Lender Paid Fees



Thank You

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