

RESPA 2010 and Your GFE

Effective January 1, 2010 HUD's new rules implementing the Real Estate Settlement Procedures Act (RESPA) went in to effect, and with it came significant changes to your Good Faith Estimate (GFE) and the HUD-1 Settlement Statement (HUD) you receive at closing.

I'd like to give them the benefit of the doubt and say they meant well when they made these changes, but considering that they received and subsequently ignored literally thousands of comments on the new rule telling them it was going to be a disaster, it is a little hard to ascribe any kind of positive or even neutral motivation to their actions.

Anyway, it is what it is, and for now we are stuck with it, so we must comply with the new rules no matter how asinine they are. While I will be complying with the new rules, I should note that the manner in which I (and many others from what I understand) comply will make the GFE I provide you completely worthless for any purpose whatsoever (unless of course you own a pet bird, in which case you may find it useful for lining the bottom of it's cage).

That is all you really need to know, so if you are in a hurry stop reading here and ignore the GFE I am providing you. If you want an actual "good faith" estimate of your closing costs, house payment, and amount you need to bring to closing, the Initial Fees Worksheet (IFW) I provided has what you seek. If you want to understand why your GFE should be ignored continue reading.

Let's start with the basic premise of the GFE changes, which was to facilitate shopping for a mortgage. HUD seems to think that a borrower can spend 10 days obtaining GFE's from different lenders and then select a lender. To this end they require us lenders to guarantee the fees quoted on the GFE for 10 days.

Considering that my fees haven't changed in years, you would think this wouldn't be a problem, and you would be right except that I am a broker. I deal with numerous lenders, all of whom have different fees. Until you lock, I do not know which lender we will be using, and hence what the lender fees will be.

Presumably you are using a broker because you want the broker to use the lender offering the best deal at the time you lock. Unfortunately, the best lender 10 days ago may not be the best lender today when you are locking, so if I planned on using Lender A 10 days ago with \$525.00 in lender fees, but today Lender B is offering the best deal, even though their lender fees are \$918.95, the only way I can lock your loan with Lender B is if I am willing to pay the extra \$393.95 out of my pocket. That's not going to happen.

The rules do not consider changing lenders a "changed circumstance" (we'll get to what that means later), so a revised GFE cannot be issued, and the lender fees originally quoted have to be honored. As a result every GFE I send out is quoted with the highest fees for every service. The fees on the HUD can be lower by an unlimited amount at closing, but Our Origination Charge (Line 1), which includes my fee and the lender's fee, cannot increase at all.

The lender fees I quote on the IFW I send you prior to locking will be correct (and I won't lock until consulting you if they are going to change), but once I issue a GFE I am not allowed to

issue a revised one, so please don't ask. Remember, the fees at closing can be lower than what the GFE says, so the fact the GFE says numbers higher than the IFW is not a problem, and means nothing.

Even if the amount on Line 1 were accurate, which may or may not be the case depending on which lender we wind up using, that is not the amount you are paying. To determine that you must add or subtract Line 2, the credit or charge for the specific interest rate chosen. That number can and does change dramatically every time we have a price change, and I have seen 3 price changes within 30 minutes when the markets are volatile. How many times and how much do you suppose pricing changes over a 10-day period?

If you are comparing a GFE from today with one from 10 days ago and deciding on which lender to choose based on that, allow me to suggest an alternative method that will probably be as successful in selecting the best lender, and a whole lot quicker and easier. Take your phone book, open it to the mortgages section, hang it on the wall, throw a dart, and call the lender the dart lands on.

The correct way to shop for a mortgage is to pick the interest rate you are interested in (it is very difficult to compare quotes for different interest rates unless you are a math whiz, and even then it is still pretty complicated), call the lenders you are interested in, and ask them what the HUD Section 800 Fees (thankfully they didn't change that) would be for that interest rate. Then select the lender with the lowest fees for your desired rate. The Custom Rate Quote function on my website does this, so you don't even need to call me to get my quote.

Nowhere on the new GFE does it give you this critical number, so even if the numbers on the new GFE were accurate, instead of inflated, the form would be worthless for shopping. Instead, there is a new "Shopping Cart" section at the end of the form. The total listed there includes all your closing costs plus your prepaids (insurance and taxes) most of which have absolutely nothing to do with your lender and will in fact be the same regardless of which lender you choose, although they are almost certainly going to be estimated differently leading to confusion, and selection of the wrong lender.

Another change is now lenders are held responsible for many fees over which they have no control and no way of knowing what the fees will actually be at closing. All the fees on Lines 3-8 combined cannot increase by more than 10% at closing. These include fees like title insurance, recording fees, appraisals, surveys, etc.

To help demonstrate the problem I have attached a copy of the original GFE (relabelled Initial Fees Worksheet), the new GFE, and the Settlement Statement for an actual loan I closed recently. I've whited out the borrower's information since it isn't relevant.

The first thing you will notice is that the Adjusted Origination Charge on the new GFE is \$280.45 when in fact it should be -\$93.00 (IFW Line 814 – Line 813). This is because on the GFE I am assuming we are going to use the lender with the highest fees, but actually locked with a lender that has lower fees.

Next, you will notice that the fees on Line 3 of the GFE are dramatically higher than either the IFW or HUD. Again, on the GFE I assumed worst case. Some of these fees vary depending on

lender, and I have disclosed the highest lender's fee for each. This combination of fees isn't actually correct for any single lender.

You will also notice a fee for a Survey, however, that fee appears on neither the IFW nor HUD. That is because the plan was to use an existing survey, and ultimately we did. However, there are circumstances where using the existing survey is not possible, and in that case a new survey has to be purchased, and if I don't allow for it, then I get to pay for it.

The title fees look a little steep on the GFE compared to the IFW too. The fees on the IFW are what I normally see in TX, but there are cases where they wind up being higher. In this case the title company used was more expensive than normal, and the borrower had an attorney that requested some additional title policy endorsements that added several hundred dollars to the cost.

Line 5 shows Owner's Title Insurance. In TX this is nearly always paid for by the seller (unless you are buying from a builder), but the rules say we have to show it as a cost to you regardless of what your purchase contract says. That makes no sense now does it? You will also notice that the \$1,500.00 seller contribution towards the buyer's closing costs isn't on the GFE, but is on the IFW and HUD (Lines 1001 and 1004). Again, the rules don't allow it to be shown. Not convinced yet that the new GFE is completely worthless? Keep going, I've got more.

I have inflated all these fees on the GFE because if they increase by more than 10% on the HUD, I have to pay the difference. On the loan in the example below even though the borrower actually came to closing with a little over \$500 less than what I originally estimated, the 10% tolerance fees were more than 10% higher than what is shown on my IFW, so if I didn't pad them on the GFE I would have had to pay \$290.71 out of my pocket to close this loan.

Alternatively, I could have cited a "changed circumstance" (the borrower's attorney requesting additional title endorsements is an allowable changed circumstance under the rules), and had the lender issue a revised GFE, but when that happens your loan cannot close for 10 more days (excluding Sundays and Holidays). It doesn't matter that you have to be out of your old house/apartment, have movers scheduled to pick up your belongings, and the utilities scheduled to be changed over into your name. You will not be closing for 10 more days.

Oh, and by the way your rate lock will expire in the meantime. The cost to extend it is an additional \$1,000.00 (example, actual number could be higher or lower), which we will helpfully add to your revised GFE. There is a conversation I don't look forward to having, and neither should you. Now do you understand why all the numbers are padded, and the GFE should be ignored? The name of the game with the new GFE is to over-disclose the fees significantly, because if you try to be accurate and are low even because of unforeseen circumstances there is no good way to fix the problem.

This is yet another example of something that sounds nice in theory, but is a disaster in reality. Only a government agency could think that taking what was a one-page form and expanding it to three pages would make it simpler and easier to understand, and forcing us to guarantee numbers we have no control over wouldn't result in the estimates being padded significantly.

Please let me know if you have any questions.

INITIAL FEES WORKSHEET

Applicants:
 Property Addr:
 Prepared By: **Martin James Farris d/b/a Dream Home Funding Ph. 325-651-2100**
4745 Rockwood Drive, San Angelo, TX 76905-7392

Application No: **RESPA EXAMPLE**
 Date Prepared: **10/20/2009**
 Loan Program:

The information provided below reflects estimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates - actual charges may be more or less. Your transaction may not involve a fee for every item listed.

Total Loan Amount \$ **310,000** Interest Rate: **4.875 %** Term/Due in: **360 / 360** mths

800 ITEMS PAYABLE IN CONNECTION WITH LOAN:				Amount	Paid By	PFC / F / POC*
801	Loan Origination Fee			\$		✓
802	Loan Discount					✓
803	Appraisal Fee	Paid To Lender: Fifth Third Mortgage	(175.00)		Borrower	✓
804	Credit Report	Paid To Other: Credco	28.42		Borrower	
805	Lender's Inspection Fee					✓
808	Mortgage Broker Fee	Paid To				✓
809	Tax Related Service Fee	Paid To Lender: Fifth Third Mortgage	72.00		Borrower	✓
810	Processing Fee					✓
811	Underwriting Fee					✓
812	Wire Transfer Fee			4.00		
	Flood Certification					
813	Administrative Fee	Paid To Lender: Fifth Third Mortgage	525.00		Borrower	✓
814	Broker Credit	Paid To Broker: Dream Home Funding	-618.00		Borrower	✓
						✓
						✓

1100 TITLE CHARGES:				Amount	Paid By	PFC / F / POC*
1101	Closing/Escrow Fee:	Paid To Title Company TBD	\$ 250.00		Borrower	✓
1105	Document Preparation Fee	Paid To Other: Black, Mann & Graham	150.00		Borrower	
1106	Notary Fees					
1107	Attorney Fees					
1108	Title Insurance:	Paid To Other: Title Company TBD	100.00		Borrower	
		Mortgagee's Title Policy				
1109	EPA/Tax Deletion Endorsements	Paid To Other: Title Company TBD	175.00		Borrower	

1200 GOVERNMENT RECORDING & TRANSFER CHARGES:				Amount	Paid By	PFC / F / POC*
1201	Recording Fees:	Paid To Other: County Recorder	\$ 108.00		Borrower	
1202	City/County Tax/Stamps:					
1203	State Tax/Stamps:					

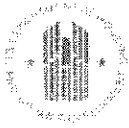
1300 ADDITIONAL SETTLEMENT CHARGES:				Amount	Paid By	PFC / F / POC*
1302	Pest Inspection		\$			
1303						
Total from GFE 2010						
<i>Estimated Closing Costs</i>				794.42		

900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:				Amount	Paid By	PFC / F / POC*
901	Interest	Paid To Lender: Fifth Third Mortgage	for 20 days @ \$ 41.4041 / day \$	828.08	Borrower	✓
902	Mig Ins. Premium					✓
903	Hazard Ins. Premium	Paid To Other: Insurance Co TBD		1,932.00	Borrower	
904						
905	VA Funding Fee					✓
906	2009 Taxes Due	Paid To Other: Seller		1,229.40	Borrower	

1000 RESERVES DEPOSITED WITH LENDER:				Amount	Paid By	PFC / F / POC*
1001	Hazard Ins. Premium	Paid To Lender: Fifth Third Mortgage	3 mths @ \$ 161.00 / mth \$	483.00	Borrower	
1002	Mig Ins. Premium Reserves		mths @ \$ / mth			✓
1003	School Tax		mths @ \$ / mth			
1004	Taxes & Assessment Reserves	Paid To Lender: Fifth Third Mortgage	2 mths @ \$ 736.17 / mth	1,472.34	Borrower	
1005	Flood Insurance Reserves		mths @ \$ / mth			
			mths @ \$ / mth			
1006	Aggregate Adjustment	Paid To Lender: Fifth Third Mortgage		-161.00	Borrower	
<i>Estimated Prepaid Items/Reserves</i>				5,783.82		

TOTAL ESTIMATED SETTLEMENT CHARGES					
TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:				TOTAL ESTIMATED MONTHLY PAYMENT:	
Purchase Price (+)	387,500.00	Loan Amount (-)	310,000.00	Principal & Interest	1,640.55
Alterations (+)		New First Mortgage(-)		Other Financing (P & I)	
Land (+)		Subordinate Financing (-)		Hazard Insurance	161.00
Refi (incl. debts to be paid off) (+)		CC paid by Seller (-)	1,500.00	Real Estate Taxes	736.17
Est. Prepaid Items/Reserves (+)	5,783.82	Cash Deposit on sales contract (-)	3,900.00	Mortgage Insurance	
Est. Closing Costs (+)	794.42			Homeowner Assn. Dues	
New 2nd Mig Closing Costs (+)				Other	
PMI, MIP, Funding Fee (+)		FHA Required Investment (-)			
Discount (Borrower paid) (+)		FHA MI Premium Refund (-)			
FHA EEM improvements (+)		FHA 203k Rehabilitation Cost (-)			
Total Estimated Funds needed to close			78,678.24	Total Monthly Payment	2,537.72

* PFC = Prepaid Finance Charge F = FHA Allowable Closing Cost POC = Paid Outside of Closing



Good Faith Estimate (GFE)

Name of Originator	Martin James Farris d/b/a Dream Home Funding
Originator Address	4745 Rockwood Drive San Angelo, TX 76905-7392
Originator Phone Number	325-651-2100
Originator Email	

Borrower	
Property Address	
Date of GFE	10/20/2009

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's Special Information Booklet on settlement charges, your Truth-in-Lending Disclosures, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

Shopping for your loan

Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

Important dates

- The interest rate for this GFE is available through **10/20/2009 N/A**. After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
- This estimate for all other settlement charges is available through **10/31/2009 05:00 PM**.
- After you lock your interest rate, you must go to settlement within **30** days (your rate lock period) to receive the locked interest rate.
- You must lock the interest rate at least **15** days before settlement.

Summary of your loan

Your initial loan amount is	\$	310,000.00
Your loan term is		30 years
Your initial interest rate is		4.875 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$	1,640.55 per month
Can your interest rate 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 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 any mortgage insurance rise?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes, the first increase can be in 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.

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of \$ **1,640.55**.
Do we require you to have an escrow account for your loan?
 No, you do not have an escrow account. You must pay these charges directly when due.
 Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$	280.45
B	Your Charges for All Other Settlement Services (See page 2.)	\$	9,294.97
A + B	Total Estimated Settlement Charges	\$	9,575.42

Understanding your estimated settlement charges

Some of these charges can change at settlement. See the top of page 3 for more information.

Your Adjusted Origination Charges														
1. Our origination charge This charge is for getting this loan for you.		2,868.95												
2. Your credit or charge (points) for the specific interest rate chosen <input type="checkbox"/> The credit or charge for the interest rate of <input type="text"/> % is included in "Our origination charge." (See item 1 above.) <input checked="" type="checkbox"/> You receive a credit of \$ 2,588.50 for this interest rate of 4.875 %. This credit reduces your settlement charges. <input type="checkbox"/> You pay a charge of \$ <input type="text"/> for this interest rate of <input type="text"/> %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.		- 2,588.50												
A	Your Adjusted Origination Charges	\$ 280.45												
Your Charges for All Other Settlement Services														
3. Required services that we select These charges are for services we require to complete your settlement. We will choose the providers of these services. <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Appraisal</td> <td align="right">460.13</td> </tr> <tr> <td>Credit Report</td> <td align="right">28.42</td> </tr> <tr> <td>Flood Certification</td> <td align="right">19.00</td> </tr> <tr> <td>Tax Service Fee</td> <td align="right">105.00</td> </tr> <tr> <td>Survey</td> <td align="right">500.00</td> </tr> </tbody> </table>		Service	Charge	Appraisal	460.13	Credit Report	28.42	Flood Certification	19.00	Tax Service Fee	105.00	Survey	500.00	1,112.55
Service	Charge													
Appraisal	460.13													
Credit Report	28.42													
Flood Certification	19.00													
Tax Service Fee	105.00													
Survey	500.00													
4. Title services and lender's title insurance This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.		1,050.00												
5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property.		2,378.00												
6. Required services that you can shop for These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below. <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		Service	Charge											
Service	Charge													
7. Government recording charges These charges are for state and local fees to record your loan and title documents.		200.00												
8. Transfer taxes These charges are for state and local fees on mortgages and home sales.														
9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes <input checked="" type="checkbox"/> all property taxes, <input checked="" type="checkbox"/> all insurance, and <input type="checkbox"/> other <input type="text"/> .		1,794.34												
10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ 41.4041 per day for 20 days (if your settlement is 11/10/2009).		828.08												
11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. <table border="1"> <thead> <tr> <th>Policy</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Hazard Insurance</td> <td align="right">1,932.00</td> </tr> </tbody> </table>		Policy	Charge	Hazard Insurance	1,932.00	1,932.00								
Policy	Charge													
Hazard Insurance	1,932.00													
B	Your Charges for All Other Settlement Services	\$ 9,294.97												
A + B	Total Estimated Settlement Charges	\$ 9,575.42												



Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges cannot increase at settlement	The total of these charges can increase up to 10% at settlement	These charges can change at settlement
<ul style="list-style-type: none"> • Our origination charge • Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate) • Your adjusted origination charges (after you lock in your interest rate) • Transfer taxes 	<ul style="list-style-type: none"> • Required services that we select • Title services and lender's title insurance (if we select them or you use companies we identify) • Owner's title insurance (if you use companies we identify) • Required services that you can shop for (if you use companies we identify) • Government recording charges 	<ul style="list-style-type: none"> • Required services that you can shop for (if you do not use companies we identify) • Title services and lender's title insurance (if you do not use companies we identify) • Owner's title insurance (if you do not use companies we identify) • Initial deposit for your escrow account • Daily interest charges • Homeowner's insurance

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
- If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.

If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$ 310,000.00	\$	\$
Your initial interest rate ¹	4.875 %	%	%
Your initial monthly amount owed	\$ 1,640.55	\$	\$
Change in the monthly amount owed from this GFE	No change	You will pay \$ more every month	You will pay \$ less every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be reduced by \$	Your settlement charges will increase by \$
How much your total estimated settlement charges will be	\$ 9,575.42	\$	\$

¹ For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.

Using the shopping chart

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name	Martin James Farris d/b/a Dream Home Funding			
Initial loan amount	\$ 310,000.00			
Loan term	30 years			
Initial interest rate	4.875 %			
Initial monthly amount owed	\$ 1,640.55			
Rate lock period	30 days			
Can interest rate rise?	NO			
Can loan balance rise?	NO			
Can monthly amount owed rise?	NO			
Prepayment penalty?	NO			
Balloon payment?	NO			
Total Estimated Settlement Charges	\$ 9,575.42			

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.



A. SETTLEMENT STATEMENT

B. TYPE OF LOAN

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FMHA	3. <input type="checkbox"/> CONV. UNINS.	6. FILE NUMBER	7. LOAN NUMBER	8. MORTGAGE INSURANCE CASE NUMBER
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.		SL09347649 AW		

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.

D. NAME AND ADDRESS OF BORROWER	E. NAME AND ADDRESS OF SELLER	F. NAME AND ADDRESS OF LENDER Firth Third Mortgage Company 5050 Kingley Drive Cincinnati, OH 45227
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G. PROPERTY LOCATION	H. SETTLEMENT AGENT	I. SETTLEMENT DATE 11/16/2009
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SUMMARY OF BORROWER'S TRANSACTION		SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:		400. GROSS AMOUNT DUE TO SELLER:	
101. Contract sales price	387,500.00	401. Contract sales price	387,500.00
102. Personal property		402. Personal property	
103. Settlement Charges to Borrower (Line 1400)	3,374.88	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City, town taxes		406. City, town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112. HOA Dues 11/16/09 to 1/ 1/10	75.82	412. HOA Dues 11/16/09 to 1/ 1/10	75.82
113. All Taxes 11/16/09 to 1/ 1/10	1,089.12	413. All Taxes 11/16/09 to 1/ 1/10	1,089.12
114.		414.	
120. GROSS AMOUNT DUE FROM BORROWER	392,039.82	420. GROSS AMOUNT DUE TO SELLER	388,664.94
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
201. Deposit or earnest money	3,800.00	501. Excess deposits (see instructions)	
202. Principal amount of new loan(s)	310,000.00	502. Settlement charges to seller (line 1400)	33,799.06
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204. option fee	100.00	504. Payoff Chase Home Finance	254,384.40
205.		505. Payoff	
206.		506. option fee	100.00
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City, town taxes		510. City, town taxes	
211. County Taxes		511. County Taxes	
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	313,900.00	520. TOTAL REDUCTION AMOUNT DUE SELLER	288,283.46
300. CASH AT SETTLEMENT FROM/TO BORROWER		600. CASH AT SETTLEMENT TO/FROM SELLER	
301. Gross amount due from borrower (line 120)	392,039.82	601. Gross amount due to seller (line 420)	388,664.94
302. Less amount paid by/for borrower (line 220)	313,900.00	602. Less reduction amount due seller (line 520)	288,283.46
303. CASH (<input checked="" type="checkbox"/> FROM) (<input type="checkbox"/> TO) BORROWER	78,139.82	603. CASH (<input checked="" type="checkbox"/> TO) (<input type="checkbox"/> FROM) SELLER	100,381.48

L. SETTLEMENT CHARGES

File #: SL09347649 AW

700. Total Sales/Broker's Commission based on price \$ 387,500.00 @ 5.00%=\$19,375.00 Division of Commission (line 700) as follows:			
701. \$ 7,750.00 to Roxann Taylor & Associates Realtors			
702. \$ 11,625.00 to Coldwell Banker Residential Brokerage/Sue Barrett			
703. Commission paid at Settlement			19,375.00
704.			
800. ITEMS PAYABLE IN CONNECTION WITH LOAN			
801. Loan Origination Fee %			
802. Loan Discount %			
803. Appraisal Fee to Sharon Auffet		175.00	
804. Credit Report to			
805. Lender's Inspection Fee to			
806. Mortgage Insurance Application Fee to			
807. Assumption Fee to			
808. Tax Service Fee 65.08 POCE to First American RETS		6.92	
809. Funding Fee 525. POC B Fifth Third Mortg. Company			
810. Flood Cert Fee to Southwest Financial Services, In		4.00	
811. Mtg Broker Fee by lender Dream Home Funding 2588.50 POCL			
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE			
901. Interest from 11/16/2009 to 12/ 1/2009 @ \$ 41.9800 /day 15 days		629.70	
902. Mortgage Insurance Premium for months to			
903. Hazard Insurance Premium for 1 years to Liberty Mutual		1,095.00	
904. Flood Insurance Premium for years to			
905.			
1000. RESERVES DEPOSITED WITH LENDER			
1001. Hazard insurance 3 Mo @\$ 91.25		246.07	27.68
1002. Mortgage insurance			
1003. City property taxes			
1004. County property taxes 2 Mo @\$ 736.16			1,472.32
1005. Annual assessments			
1006. School Taxes			
1007. Water Tax			
1008. City/ISD			
1009. Aggregate Accounting Adjustment		91.22-	
1100. TITLE CHARGES			
1101. Settlement or closing fee to			
1102. Abstract or title search to			
1103. Title examination to			
1104. Title insurance binder to			
1105. Document preparation to Black Mann & Graham		150.00	165.00
1106. Notary fees to			
1107. Attorney's fees to			
(includes above items numbers:)			
1108. Title insurance to Hexter-Fair Title Company		518.75	2,378.00
(includes above items numbers: Survey Deletion, 85.00%/\$2,462.24 to Hexter-Fair Title Comp)			
1109. Lender's coverage \$ 310,000.00 @ \$349.85			
1110. Owner's coverage \$ 387,500.00 @ \$2,546.90			
1111. Courier/Doc. Printing to Hexter-Fair Title Company		25.00	
1112. Escrow Fees to Hexter-Fair Title Company		350.00	350.00
1113. Tax Certificates to Hexter-Fair Title Company			45.11
1114. Overnight Delivery to Hexter-Fair Title Company		25.00	40.00
1115. Restrictions to Hexter-Fair Title Company		21.66	
1116. Guaranty Fee to Hexter-Fair Title Company		5.00	5.00
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES			
1201. Recording fees: Deed \$ 24.00 Mortgage \$ 88.00 Release \$ 24.00		112.00	24.00
1202. City/county/stamps: Deed \$ Mortgage \$			
1203. State tax/stamps: Deed \$ Mortgage \$			
1204.			
1205.			
1300. ADDITIONAL SETTLEMENT CHARGES			
1301. Survey to using existing			
1302. Pest inspection to			
1303. Home Warranty to AHS#92233732		2.00	708.00
1304. 2009 Taxes to Tarrant County Tax Office			8,833.95
1305. Reimburses Resale Certificate to Hexter-Fair Title			355.00
1306. Transfer Fee to Principal Management		100.00	20.00
1400. TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)		3,374.88	33,799.06