

BASICS FOR COMPLETING COST SHEETS

Origination Fees:

All mortgage lender fees are labeled as origination fees. Watson Mortgage's origination fee is \$800.

To Calculate Property Taxes:

I pull from <http://netronline.com/> to find the property address.

Purchase price (multiplied) by .92 (minus) homestead exemption (if no homestead; use zero) (if 25k; use 25k) (if 50k; use 25k) (multiplied) by the millage (plus) non add valorem charges is total property taxes for the year (divided by 12) to get the monthly property tax amount. Four months is usually put into an escrow account.

CDD fees are paid upfront at closing for the following year.

To Calculate Homeowners Insurance:

I use .8 of the purchase price divided by 12 to get the monthly insurance amount. One year of insurance is paid up front at closing plus 3 months are put into an escrow account.

To Calculate Mortgage Insurance On Conventional Loans:

CONVENTIONAL

I go to <https://mortgageinsurance.genworth.com/> to calculate the mortgage insurance because it varies on the loan amount, down payment, and the credit score for each loan.

To Calculate Funding Fees and Mortgage Insurance on FHA, USDA, and VA Loans:

FHA

Upfront funding fee of 1.75% added to the loan amount

Monthly mortgage insurance of .85% if 3.5% down or .80% if 5% down

USDA

Upfront funding fee of 2% added to the loan amount

Monthly funding fee of .5%

VA

No monthly mortgage insurance but has upfront funding fee added to the loan amount:

0 funding fee if the veteran is 10% disabled according to the VA

<u>Type of Veteran</u>	<u>Down Payment</u>	<u>First Time Using VA</u>	<u>Subsequent Use of VA</u>
Regular Military	None	2.15%	3.3%
	5%	1.5%	1.5%
	10% or more	1.25%	1.25%
Reserves / Nat'l Guard	None	2.4%	3.3%
	5%	1.75%	1.75%
	10%	1.5%	1.5%

Bond Loan Fees:

The state charges 1% discount fee plus \$650 additional administrative closing costs to the buyer.