

PRELIMINARY ESTIMATE

Settlement Statement

B TYPE OF LOAN

C **NOTE: This form is furnished to give you a statement of ESTIMATED settlement costs. Certain items are paid in advance outside of closing (p.o.c.). Final figures may differ significantly from this ESTIMATE. Information contained herein is believed accurate but is not guaranteed.**

D NAME AND ADDRESS OF BORROWER **Happy Homeowner**

E NAME AND ADDRESS OF SELLER **Terri & Jeff Annis**

F NAME AND ADDRESS OF LENDER **Lender** Term: 30 Rate: **5.000%** Lender Origination Fee 1.00% Lender Points 1.00%
Loan Officer Term 2nd: 30 Rate 2nd: **8.000%** 0.00% 0.00%

G PROPERTY LOCATION **5219 Goddard Road** Annual Taxes: \$10,053 Monthly Condo/HOA fee: \$0.00 \$0.00 /yr

H SETTLEMENT AGENT Settlement Company

I PLACE OF SETTLEMENT

I SETTLEMENT DATE **05/28/2009** 05/31/2009 Last day of month 06/30/2009 Last day of tax period

J SUMMARY OF BORROWER'S TRANSACTIONS		K SUMMARY OF SELLER'S TRANSACTIONS	
100 GROSS AMOUNT DUE FROM BORROWER		400 GROSS AMOUNT DUE TO SELLER	
101 Contract sales price	1,249,421.00	401 Contract Sales Price	1,249,421.00
102 Personal property		401 Personal Property	
103 Settlement Charges to borrower (line 1400)	45,765.19	403 ---	
104 ---		404 ---	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106 City/town taxes to:		406 City/town taxes to:	
107 County taxes 05/28/2009 to: 06/30/2009	908.90	407 County taxes 05/28/2009 to: 06/30/2009	908.90
108 Assessments to:		408 Assessments to:	
109 Condo/HOA Fee 05/28/2009 to: 05/31/2009		409 Condo/HOA Fee 05/28/2009 to: 05/31/2009	
110 ---		410 ---	
120 GROSS AMOUNT DUE FROM BORROWER:	1,296,095.09	420 GROSS AMOUNT DUE TO SELLER:	1,250,329.90
200 AMOUNTS PAID BY OR IN BEHALF OF BORROWER		500 REDUCTIONS IN AMOUNT DUE TO SELLER	
201 Deposit or earnest money (down payment) 25.00%	312,355.25	501 Excess deposit (see instructions)	
202 Principal amount of new loan(s) 1st 1s 75.00%	937,065.75	502 Settlement charges to seller (line 1400)	77,666.31
202 Financed Mortgage Insurance Premium	0.00	503 Existing loan(s) taken subject to	
203 Existing loan(s) taken subject to		504 Payoff of first mortgage loan	39,760.00
204 Principal amount of new loan(s) 2nd 2r 0.00%	0.00	505 Payoff of second mortgage loan	0.00
205 ---		506 Water Escrow	
206 --- ROUNDING for 1st 0.00		507 HOA/Condo Documents	
207 --- ROUNDING for 2nd 0.00		508 Closing Help to Buyer	0.00
208 Closing Help from Seller 0.00%	0.00	509 ---	
209 ---		Adjustments for items unpaid by seller	
Adjustments for items unpaid by seller		510 City/town taxes to:	
210 City/town taxes to:		511 County taxes to:	
211 County taxes to:		512 --- to:	
212 Assessments to:		513 ---	
213 ---		514 ---	
214 ---		515 ---	
215 ---		516 ---	
216 ---		520 Total Reduction Amount Due Seller	117,426.31
220 Total Paid By/For Borrower	1,249,421.00		
300 CASH AT SETTLEMENT FROM/TO BORROWER		600 CASH AT SETTLEMENT TO/FROM BORROWER	
301 Gross amount due from borrower (line 120)	1,296,095.09	601 Gross amount due to seller (line 420)	1,250,329.90
301 Less amount paid by/for borrower (line 220)	1,249,421.00	602 Less total reductions in amount due seller (line 520)	117,426.31
303 Cash X From ___ To Borrower	46,674.09	603 Cash ___ From X To Seller	1,132,903.59

Total Cash You Need Including Down Payment and Closing Costs \$359,029.34

NOTE: You already pre-paid some of this with your DEPOSIT.

Estimated Monthly Payment		
Principal & Interest - 1st	5,030.37	Montgomery
Principal & Interest - 2nd	0.00	Estimated
Principal & Interest - Financed MIP	0.00	Future Taxes
Property Taxes	\$354.17	\$4,250.00
Hazard Insurance	150.00	
Mortgage Insurance	0.00	
Condo/HOA	0.00	

ESTIMATED TOTAL MONTHLY PAYMENT \$5,534.54

This is an ESTIMATE of the settlement costs. Rates vary with lenders, settlement and inspection firms, so costs are subject to change and are not guaranteed by Broker or Agent. The total due at settlement must be paid by certified or bank check payable to the settlement agent. Final figures will be available just before settlement. I have carefully reviewed, and have received a copy of, this PRELIMINARY ESTIMATE Settlement Sheet. I understand that this is an ESTIMATE ONLY, and that FINAL FIGURES MAY VARY SIGNIFICANTLY from this PRELIMINARY ESTIMATE.

Signature

Date

Signature

Date

L SETTLEMENT CHARGES							
700 TOTAL SALES/BROKER'S COMMISSION	Based on price			1,249,421.00	PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT	
Division of Commission (line 700) as follows:							
701 Listing Broker's Commission	24,988.42	to:	Listing Broker Jeff Annis Real Est	2.00%			
702 Selling Broker's Commission	37,482.63	to:	Selling Broker Jeff Annis Real Est	3.00%			
703 Commission paid at settlement							62,471.05
704 - - -							
800 ITEMS PAYABLE IN CONNECTION WITH LOAN							
801 Loan Origination Fee (1%)	1.000%	on first				9,370.66	
801 Loan Origination Fee (1%)	0.000%	on second				0.00	
802 Loan Discount Fee (0% - 3%)	1.000%	on first				9,370.66	
802 Loan Discount Fee (0% - 3%)	0.000%	on second				0.00	
803 Appraisal Fee (\$250-700)				(p.o.c.)		350.00	
804 Credit Report (\$60-75 ea)				(p.o.c.)		35.00	
805 Lender's Inspection Fee (\$100 - 250)							
806 Mortgage Insurance Application Fee							
807 Assumption Fee (\$50 - 500 + ½% - 1%)						75.00	
808 Tax Service Fee (\$100 - 250)							
809 Document Preparation Fee (\$200 - 500)							
810 Wire Fees							
811 Courier Fee (\$15 - 150)							
812 Underwriting Fee (\$100 - 250)						450.00	
813 Flood Map Certification Fee						20.00	
814 Processing Fee						575.00	
815 Verification of Deposits							
900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE							
901 Interest from	05/28/2009	to:	05/31/2009	@ per day:	167.68	670.72	
902 Mortgage Insurance (½ - 1¼%)	12	months to		using:			
903 Hazard Insurance Premium for	1	years to	05/28/2010	(\$2.50/M)	(p.o.c.)	1,800.00	
904 FHA Mortgage Insurance						1.50%	0.00
905 VA Funding Fee 2.0%						2.00%	0.00
1000 RESERVES DEPOSITED WITH LENDER							
1001 Hazard Insurance (\$2.50/\$1000)	2	months @	150.00	per month		300.00	
1002 Mortgage Insurance (FHA Condo Monthly)	2	months @	0.00	per month	.005 / 12	0.00	
1002 Mortgage Insurance (from lender)	2	months @	0.00	per month		0.00	
1003 City Property Taxes		months @		per month			
1004 County Property Taxes	2	months @	837.75	per month		1,675.50	
1005 Annual Assessments		months @		per month			
1006 - - -		months @		per month			
1007 - - -		months @		per month			
1008 - - -		months @		per month			
1100 TITLE CHARGES							
1101 Settlement or Closing Fee		to					250.00
1102 Abstract or title search		to				125.00	0.00
1103 Title Examination		to					
1104 Title insurance binder		to	Settlement Company			35.00	
1105 Document preparation		to					100.00
1106 Notary fees		to				10.00	
1107 Attorney's fees		to				250.00	
1108 Title insurance	\$4.20/M	+\$35 for Owners & Lenders (less 40% reissue up to old value)				4,407.97	
1109 Lender's coverage							
1110 Owner's coverage							
1111 Release Svce							85.00
1112 Courier/FedEx						45.00	50.00
1113 Tax Certificate							
1200 GOVERNMENT RECORDING AND TRANSFER CHARGES							
1201 Recording Fees (\$50 - 150);	Det\$40.00	Mortgage \$40.00	Release \$0.00			80.00	40.00
1202 Montgomery County Transfer Tax	1.00%	(.25 if < 40,000 or .5 \$40,000 to 69	@	50.00%		6,247.11	6,247.11
1202 Frederick County Transfer Tax	none		@	0.00%		0.00	0.00
1202 Prince Georges County Transfer Tax	1.40%		@	0.00%		0.00	0.00
1203 Maryland State Transfer Tax Circuit Court	0.50%	First-Time?: n	@	50.00%		3,123.55	3,123.55
1203 Maryland State Transfer Tax Circuit Court		Non Resident Withholding 6.75% Seller or 8.25% Entity of net proceeds					
1204 Montgomery Treasurer MD Recordation Tax	\$6.90	per \$1,000 up to \$500,000	@	50.00%		1,725.00	1,725.00
1204 Montgomery Treasurer MD Recordation Tax	\$10.00	per \$1,000 for portion over 500,000	@	50.00%		3,747.11	3,747.11
1204 Montgomery Treasurer MD Recordation Tax *	\$345	credit for first \$50,000				(172.50)	(172.50)
1204 Frederick Treasurer MD Recordation Tax	\$10.00	per \$1,000	@	0.00%		0.00	0.00
1204 Prince Georges Treasurer MD Recording Tax	\$4.40	per \$1,000	@	0.00%		0.00	0.00
1300 ADDITIONAL SETTLEMENT CHARGES							
1301 Survey (\$150 - 700)						150.00	
1302 Pest Inspection (\$35 - 150)				(p.o.c.)		50.00	
1303 Document Preparation				(p.o.c.)			
1304 Radon Inspection (\$40 - 200)				(p.o.c.)			
1305 Home Warranty						0.00	0.00
1306 Lead Inspection							
1307 Home Inspection (\$175 - .1%)				(p.o.c.)		1,249.42	
1400 TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)						45,765.19	77,666.31

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

(p.o.c.) = paid outside of closing

* Montgomery County Recordation Tax - first \$50,000 exempt when owner/occupant Buyer intends to use property as principal residence for at least 7 of first 12 months. Actual tax based on Sales Price rounded up to next \$500.

This PRELIMINARY ESTIMATE is provided to you by: Jeff Annis Real Estate LLC - 301-654-2500