



HUD-1 Settlement Statement Instructions

The following are brief instructions for completing the HUD-1, used as a statement of actual charges and adjustments paid by the borrower and the seller, and to be given to the parties in connection with the transaction.

Page 1 of 3

For more information visit: http://www.hud.gov/offices/hsg/ramh/res/respa_hm.cfm

OMB Approval No. 2502-0265



A. Settlement Statement (HUD-1)

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	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.				

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 & Address of Borrower:	E. Name & Address of Seller:	F. Name & Address of Lender:
	H. Settlement Agent:	I. Settlement Date:
	Place of Settlement:	

Lines 104-105 are for additional amounts owed by Borrower, such as charges that were not listed on the GFE or items paid by Seller prior to closing but reimbursed by Borrower.

J. Summary of Borrower's Transaction

100. Gross Amount Due from Borrower	
101. Contract sales price	
102. Personal property	
103. Settlement charges to borrower (line 1400)	
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	
200. Amounts Paid by or in Behalf of Borrower	
201. Deposit or earnest money	
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
Adjustments	
210. City/town taxes	
211. County taxes	
212. Assessments	
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)	
302. Less amounts paid by/for borrower (line 220)	()
303. Cash <input type="checkbox"/> From <input type="checkbox"/> To Borrower	

K. Summary of Seller's Transaction

400. Gross Amount Due to Seller	
401. Contract sales price	
402. Personal property	
403.	
404.	
420. Gross Amount Due to Seller	
500. Reductions In Amount Due to Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
Adjustments	
510. City/town taxes	
511. County taxes	
512. Assessments	
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)	
602. Less reductions in amount due seller (line 520)	()
603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller	

Lines 106-112 are for items which Seller has paid in advance, and for which Borrower must reimburse Seller. Common items may include tax & HOA prorations.

Lines 204-209 are used to indicate any financing arrangements or other new loan (not listed in Line 202). Also used where Borrower receives a credit from Seller or other party for closing costs, which may include seller-paid GFE charges.

Lines 506-509 are used to indicate charges that were disclosed on the GFE but that are actually being paid for by Seller (i.e. the owner's policy of title insurance if being paid by Seller).

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.





HUD-1 Settlement Statement Instructions

For more information visit: http://www.hud.gov/offices/hsg/ramh/res/respa_hm.cfm

Lines 701-703 indicate the total amount of commission (in actual fees, not percentages) paid to each real estate broker or agent. The amount of sales commission disbursed at settlement is shown on line 703.

Line 801 includes all charges received by Lender, except any charge for “points” on the loan. This must also include any amounts received for origination services, including administrative and processing services performed by or on behalf of the loan originator.

Line 802 is used to reflect either the charge or credit for interest rate points and/or mortgage broker fees which may include a Yield Spread Premium.

Line 803 indicates the sum difference between lines 801 & 802 (adjusted origination charges).

Lines 1001-1007 list the amounts collected by Lender to be held in an impound account. The amount in line 1001 must be listed in the columns, and the itemizations in lines 1002 through 1007 must be listed outside the columns.

Line 1101 is used to reflect title & escrow service related fees, including the Lender’s policy of title insurance.

L. Settlement Charges											
700. Total Real Estate Broker Fees										Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows:											
701.	\$		to								
702.	\$		to								
703.	Commission paid at settlement										
704.											
800. Items Payable in Connection with Loan											
801.	Our origination charge			\$		(from GFE #1)					
802.	Your credit or charge (points) for the specific interest rate chosen			\$		(from GFE #2)					
803.	Your adjusted origination charges					(from GFE A)					
804.	Appraisal fee to					(from GFE #3)					
805.	Credit report to					(from GFE #3)					
806.	Tax service to					(from GFE #3)					
807.	Flood certification					(from GFE #3)					
808.											
900. Items Required by Lender to Be Paid in Advance											
901.	Daily interest charges from	to	@ \$	/day		(from GFE #10)					
902.	Mortgage insurance premium	for	months to			(from GFE #3)					
903.	Homeowner's insurance	for	years to			(from GFE #11)					
904.											
1000. Reserves Deposited with Lender											
1001.	Initial deposit for your escrow account					(from GFE #9)					
1002.	Homeowner's insurance	months @ \$	per month	\$							
1003.	Mortgage insurance	months @ \$	per month	\$							
1004.	Property taxes	months @ \$	per month	\$							
1005.		months @ \$	per month	\$							
1006.		months @ \$	per month	\$							
1007.	Aggregate Adjustment				-\$						
1100. Title Charges											
1101.	Title services and lender's title insurance					(from GFE #4)					
1102.	Settlement or closing fee					\$					
1103.	Owner's title insurance					(from GFE #5)					
1104.	Lender's title insurance					\$					
1105.	Lender's title policy limit					\$					
1106.	Owner's title policy limit					\$					
1107.	Agent's portion of the total title insurance premium					\$					
1108.	Underwriter's portion of the total title insurance premium					\$					
1200. Government Recording and Transfer Charges											
1201.	Government recording charges					(from GFE #7)					
1202.	Deed \$	Mortgage \$		Releases \$							
1203.	Transfer taxes					(from GFE #8)					
1204.	City/County tax/stamps	Deed \$		Mortgage \$							
1205.	State tax/stamps	Deed \$		Mortgage \$							
1206.											
1300. Additional Settlement Charges											
1301.	Required services that you can shop for					(from GFE #6)					
1302.						\$					
1303.						\$					
1304.											
1305.											
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)											

Line 1103 lists the charge for the Owner’s policy of title insurance. Buyer may be charged for the owner’s policy to conform with Box #5 on the GFE, but if the contract calls for Seller to pay for the owner’s policy a credit/debit will be shown in the 200 series.

Lines 1107-1108 are used to differentiate the title insurance agent vs. underwriter premiums.

1300 Series is used to record anything that was in Box #6 on the GFE.

At Chicago Title we have upgraded our systems to produce the new HUD-1 and implemented new procedures to ensure compliance with the new rules. And we have trained our staff on the proper completion of the new HUD-1.





HUD-1 Settlement Statement Instructions

For more information visit:
http://www.hud.gov/offices/hsg/ramh/res/respa_hm.cfm

- There are three categories in the Comparison Chart:
- Charges that cannot increase at settlement.
 - Charges that in total cannot increase more than 10%.
 - Charges that can change (increase or decrease).

Compare the charges listed in the GFE column with the charges in the HUD-1 column. If the charges that cannot increase have increased or the total of the charges that cannot increase more than 10% have exceeded the 10% increase limit, the lender must reimburse Borrower at settlement. or within thirty (30) days after settlement.

In the example above, the “Charges that in total cannot increase more than 10%” were only increased by \$70 or 4% and did not exceed the 10% tolerance.

Loan Terms: Loan terms are disclosed to consumers in a simplified format in this section.

**Be Ready.
Be Confident.**

Contact Chicago Title to learn more about how the new changes will affect you.

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	\$6,750.00	\$6,750.00
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	\$3,750.00
Transfer taxes	# 1203	\$1,368.00	\$1,368.00
Charges That In Total Cannot Increase More Than 10%			
HUD-1 Line Number			
Government recording charges	# 1201	\$50.00	\$50.00
Appraisal	# 804	\$275.00	\$325.00
Credit report	# 805	\$40.00	\$40.00
Tax service fee	# 806	\$56.00	\$76.00
Flood certification	# 807	\$12.00	\$12.00
Title services and lender's title insurance	# 1101	\$1,275.00	\$1,275.00
Owner's title insurance	# 1103	\$175.00	\$175.00
	#		
Total		\$1,883.00	\$1,953.00
Increase between GFE and HUD-1 Charges		\$ 70	or 4 %
Charges That Can Change			
HUD-1 Line Number			
Initial deposit for your escrow account	# 1001	\$306.00	\$350.00
Daily interest charges \$ 28.00 /day	# 901	\$28.00	\$28.00
Homeowner's insurance	# 903	\$650.00	\$600.00
Survey	# 1302	\$250.00	\$250.00
Pest inspection	# 1303	\$45.00	\$45.00

Loan Terms

Your initial loan amount is

\$

Your loan term is

 years

Your initial interest rate is

 %

Your initial monthly amount owed for principal, interest, and any mortgage insurance is

\$

 includes

☐ Principal

☐ Interest

☐ Mortgage Insurance

Can your interest rate rise?

☐ No. ☐ 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?

☐ No. ☐ 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?

☐ No. ☐ 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?

☐ No. ☐ Yes, your maximum prepayment penalty is \$.

Does your loan have a balloon payment?

☐ No. ☐ Yes, you have a balloon payment of \$ due in years on .

Total monthly amount owed including escrow account payments

☐ 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.

☐ You have an additional monthly escrow payment of \$ that results in a total initial monthly amount owed of \$.

This includes principal, interest, any mortgage insurance and any items checked below:

☐ Property taxes Homeowner's insurance

☐ Flood insurance

☐

☐

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

