Incidental Purchase Expenses Worksheet (Preliminary or Final)

|  |  |
| --- | --- |
| **Project Title:** | **Parcel No.:** |
| **Displaced Person(s):** | **Displacee No.:** |

|  |  |  |  |
| --- | --- | --- | --- |
| Most Comparable List Price | $ | Replacement Dwelling Purchase Price | $ |
| Remaining Term on Old Mortgage |  | Length of New Mortgage |  |
| Old Mortgage Balance | $ | New Mortgage Balance | $ |
| Old Interest Rate |  | New Interest Rate |  |

Incidental Expenses are those reasonable expenses actually incurred by the displacee incidental to the purchase of a replacement property and customarily paid by the buyer. These expenses are limited as indicated below.

Incidental purchase expenses are determined from a copy of the estimated closing statement and verified from a copy of the final certified closing statement. Communication with lender and escrow/title company is required for an accurate and successful transaction.

**Reimbursable Fees:**

* Recording Fees, Document Preparation, Home Inspection, Wire Fee, Tax Registration, Flood Inquiry, Notary Fee, Courier Fees, Attorney Fees, Tax Service Fee, Underwriting Fee (100% reimbursable).
* Appraisal Fee, Credit Report, Application Fees (100% reimbursable if displacement dwelling is encumbered by a mortgage).
* Building Certification & Pest Inspection Fees (100% reimbursable when required by the lender).

**Limited Reimbursable Fees:**

* Loan Origination or Assumption Fees (limited to the amount of the old or new mortgage, whichever is lesser; cannot include any loan discount fees or points, i.e. prepaid interest).
* Lender’s Title Insurance (limited to amount necessary to purchase most comparable).
* Escrow Fee/Settlement Fee (limited to amount necessary to purchase most comparable).
* VA Funding Fee (limited to amount necessary to purchase most comparable).
* Increased Mortgage Interest Differential.
* Other Miscellaneous Fees (specify).

**Non-reimbursable Fees:**

* Prepaid or Reserves; i.e. Interest, Hazard Insurance, Mortgage Insurance, Property Taxes, HOA, etc.

*Prior to loan closing obtain preliminary Closing statement – calculate estimated closing costs. In order to prevent an overpayment of incidental expenses, it is recommended that the Specialist reduce the amount of incidental expenses paid into escrow by 10 to 20 percent.*

*Once the loan is closed, obtain certified Closing statement – perform a reconciliation of the final closing costs to the preliminary closing statement to verify funds were applied correctly.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Settlement Costs** | **Estimated Costs** | **Estimated Reimbursement** | **Final Costs** | **Final Reimbursable** | **Explanation** | |
| Loan Origination | $ | $ | $ | $ | | Limited to lesser of old or new mortgage |
| Appraisal Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Credit Report | $ | $ | $ | $ | | Eligible if displacee had a mortgage on old home |
| Document Preparation | $ | $ | $ | $ | | 100% Reimbursable |
| Tax Service Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Tax Registration | $ | $ | $ | $ | | 100% Reimbursable |
| Flood Certification Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Notary Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Courier Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Attorney Fees | $ | $ | $ | $ | | 100% Reimbursable |
| Underwriting Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Home Inspection | $ | $ | $ | $ | | 100% Reimbursable |
| Wire Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Application Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Lenders Title Insurance | $ | $ | $ | $ | | Verified w/escrow co. (see page 1 for instructions) |
| Escrow Fee, Settlement | $ | $ | $ | $ | | Verified w/escrow co. (see page 1 for instructions) |
| Closing, Admin Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Recording Fee | $ | $ | $ | $ | | 100% Reimbursable |
| Non-reimbursable points, pre-paid interest, reserves, etc. | $  $  $  $  $ | $  $  $  $  $ | $  $  $  $  $ | $  $  $  $  $ | | Homeowner Insurance  Property Taxes  Property Taxes prorated  Prepaid Interest  HOA fees |
| Other miscellaneous Fees | $  $  $  $  $  $  $  $ | $  $  $  $  $  $  $  $ | $  $  $  $  $  $  $  $ | $  $  $  $  $  $  $  $ | | Processing Fees  VA Funding Fee/Closing Costs Financed  Owner’s Title Insurance  Seller Credits  Lender Credits  Nonspecific Credit applied to non-eligible fee, no reduction necessary  Aggregate Adjustment applied to non-eligible fee, no reduction necessary  Other Credits |
| Total Estimated Preliminary Closing Costs | $ | $ |  |  | |  |
| Total Actual/Final Closing Costs |  |  | $ | $ | |  |
| Over/Under Payment |  | $ |  |  | | Approximate 10-20% under payment |
| Total Eligible Reimbursable Settlement Costs |  | Amount paid to escrow in advance $ |  | This amount is the final reimbursable amount less the amount paid to escrow in advance. | |  |