

Buyer's Closing Costs

RealTracs MLS has a *Buyer's Closing Cost Calculator*:

1. Go to RealTracs MLS (www.realtracs.net)
2. Login with your User Name and Password
3. Click on "Financial" link located on top menu bar
4. Click on "Buyer's Closing Cost" on drop down menu

Instructions for using *Buyer's Closing Costs Calculator*:

Buyer's Closing Costs - The Buyer's Closing Costs report will assist you in calculating the estimated net funds that a buyer will need to cover his closing costs.

Selecting Buyer's Closing Costs - From the Navigation Menu at the top of the page, move the cursor over the selection for **Financial**, then click on **Buyer's Closing Costs** from the resulting drop down menu.

Entering Data Into the Buyer's Closing Costs Screens - The data entry worksheet is divided into four broad categories for recording client information and closing costs. Data entry is similar in all areas.

Client Information - The top area contains text fields in which to record client information such as name, address, and telephone number. Client information entered into the top part of the page will be retained not only for the closing costs feature, but will automatically be entered into any other Financial Tools you select for this single work session.

Financial Information - This section permits entry of loan amount, financing period and type of loan. Based on your entries for each field, other choices will be required.

- **Closing Month/Day** - This value defaults to the 15th day of the current month. You may select any month or day of the month from the dropdown boxes provided. The portion of the month selected is used in prorating additional entries later.
- **Type of Sale** - The default selection is Conventional. Click the down arrow to see additional selections for FHA, VA and Cash sale types. You will notice a green bar across the bottom of the Financial Information section. The default view shows "PMI Reserve (2 months) \$" and an initial value of "0". Changing the Type of Sale to FHA, VA or Cash changes the selections in the green shaded section as noted below.
- **Purchase Price** - Enter the amount in whole dollars.
- **Down Payment** - Enter either an amount in the first text box, or a down payment percentage in the second text box. When you enter a percentage in the second text box,

20 percent for example, the first text box will immediately display the amount based on the Purchase Price field, and the second box will blank. If you wish you may either adjust the first text box by entering a new value or enter a new percentage to view differing scenarios.

- **Loan Amount** - This field cannot be edited. It is the result of applying any down payment amount to the purchase price entered.
- **Annual Interest Rate** - Enter an interest rate. You may use decimal values in your interest rate entries. Move your cursor over the text at right to view a popup table of decimal equivalents. As noted, as soon as you enter a rate, the monthly payment field will show a value.
- **Loan Period** - The default is 30 years. Enter a whole year value.
- **Monthly Payment** - As soon as at least Loan Amount and Interest Rate are entered, a value for monthly payment to **Principal** and **Interest** will be calculated. The final monthly payment is shown on the resulting report and includes the amounts for home owner insurance and property tax.
- **Prorated Interest** - Based on the interest rate entered and the closing day selected, a value for prorated interest due at closing will be displayed.
- **Values in the Green Shaded Area** - The values and entry boxes presented in this portion of the screen will vary depending on the Type of Sale selected.
 - **Conventional Sale Type** - The calculated field for PMI Reserve (2 months) will be displayed. If the value in Down Payment or percentage down payment you entered is less than 20%, the value will change to represent two months of the amount for PMI.
 - **FHA Sale Type** - If this type of sale is selected, based on entries above some values will be calculated and additional selections provided. The amount for MIP up Front Fee will be calculated, MIP Monthly amount will be shown, a selection box for paying the up front MIP at closing, and a text box to enter any additional seller paid costs are provided. If you select to not pay MIP up front charges at closing, the amount shown is rolled in to the loan amount and monthly payment amount is adjusted.
 - **VA Sale Type** - If this type of sale is selected, based on entries above some selections will change. A drop down list provides you with a way to select the type of VA Sale, "1st VA", "2nd VA", etc. Once that selection is made, the VA Funding Fee value is calculated. If the Selection for "Pay VA Funding Fee at closing" is set to "No", the VA Funding fee, if any, is rolled into the loan amount and monthly payment is adjusted.
 - **Cash Sale Type** - If this sale type is selected, the green shaded area is removed.
- **Annual Property Tax** - Enter the amount of annual property tax on the subject property.
- **Tax Reserve Amount** - The default value is two months of the calculated monthly value entered in Annual Property Tax. You may adjust the number of months for Tax Reserve by selecting from the drop down list provided.
- **Annual Home Owner Insurance** - Enter the amount for home owner insurance.
- **HOI Reserve Amount** - The value for Home Owner Insurance Reserve is set to 14 months (one year plus two months reserve). You may change that value by selecting another from the drop down list provided.

Other Costs - This section covers most normal closing costs items. Except for the top two selections, "Buyer Paid Discount Points" and "Loan Origination Fee", all are simple numeric entry text boxes. If a percentage is entered into either of the first two boxes, an amount is calculated based on the loan amount and displayed at right. Complete any amounts needed.

Miscellaneous Costs - This section provides a location for you to enter any other charges not provided above. You need to enter both a descriptive charge name in the "Field Name" text box and an amount for that item in the second of the two-text-box sets.

Calculate Button - Click on the "Calculate" button to display a report on the same page. Use the browser print functions at the top to print the report. This report has been designed to ignore any buttons on the browser screen when printed, so only the sheet of information will print. The report not only contains the complete information regarding closing costs, but also a detail of expected monthly payment and locations for your clients to acknowledge their receipt of the information.

Reset Button - Clicking the "Reset" button resets all values to either blanks for text fields or zero amounts for calculated fields. Additionally, all client information is removed.

Revise Data Button - From the report page, clicking this button refreshes data input portion of the feature without removing values you entered earlier and permits you to change any values to recreate the report page.