



Guide to Completion and Review of DD Form 1705 Reimbursement for Real Estate Sale and/or Purchase Expenses

1. Assemble Your Claim Documents: Submission of one copy of each document is sufficient if the Claim is faxed to DFAS, if a hard copy is mailed, three copies of each document is required. The following documents must be included:

- DD Form 1705, Reimbursement for Real Estate and/or Purchase Closing Cost Expenses. Make sure you have the OCT 2002 version.
<http://www.dtic.mil/whs/directives/infomgt/forms/efoms/dd1705.pdf>
- HUD-1, Settlement Statement
- Sale or Purchase Agreement
- DD Form 1614 Travel Orders
- DD Form 1351-2, Travel Voucher or Sub-Voucher (Section 18, use your closing date, specify that this is a "Sale or Purchase Real Estate Claim," and the amount claimed)
- Any additional receipts needed to support the claim, such as checks or receipts for items paid outside of closing and not recorded on the HUD-1 receipt (a common example of this is a home inspection).

2. Processing Your Documents: The Fort Knox Office of the Staff Judge advocate (OSJA) will review the real estate expenses claimed. You can submit your completed Real Estate Claims Package in person or by mail to the OSJA Administrative Law Division at Bldg 1310 (Pike Hall), Rm 215, 50 3rd Ave, Fort Knox, KY 40121-5230. You may also submit a scanned copy of your entire claim, and all supporting documents, via e-mail to knox.sja.adminlaw@us.army.mil. Please call our office at (502)624-7414 (DSN: 464) if you have any questions. After review, the OSJA will then return the claims package to you for submission to DFAS for payment.

3. All civilian PCS travel claims are paid by DFAS in Columbus (DFAS-CO). The following address or Fax should be used to submit your PCS claims document package (recommend using return receipt requested, first class mail):

*Defense Finance and Accounting Service Columbus Center
ATTN: DFAS-PTBFB/CO
PO Box 369015 Columbus, OH 43236-9015*

*Information Phone No.: 1-800-756-4571
(<https://dfas4dod.dfas.mil/centers/dfasco/customer/travel/index.htm>)*

FAX - PDT Voucher Submissions: 216-367-3422(DSN 580-7833), 216-367-3423(DSN 580-7834), 216-367-3424(DSN 580-7835)

FAX - PDT Advance Requests (Only): 216-367-3428(DSN 580-7839)

If you are unable to fax your claims/requests you have the OPTION TO E-MAIL to the fax numbers above by utilizing the following however, we recommend the fax option over e-mail; CCO-(complete fax number) followed by: @DFAS.MIL (Example: CCO-216-367-3422@DFAS.MIL)



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4. Become familiar with your HUD-1 Settlement Statement, which you should have received at closing. This document itemizes the expenses the real estate transaction for which you are now claiming reimbursement. In a sense, it is your “receipt” for your house and will support the majority of your claim. See the Appendix of this guide for a line by line explanation of the HUD-1.

5. Completion of the DD Form 1705 is an exercise in matching the reimbursable expenses listed on your HUD-1 into the proper categories appearing in the blocks on the reverse side of the

1705. Pay careful attention to whether the expenses were paid by the BORROWER or by the SELLER. You may only claim reimbursement for expenses that were charged to your side of the transaction.

Note: Struggling through this process will expand your real estate vocabulary. You will learn things you probably never wanted to know, such as “Escrow Agent Fee” and “Settlement or Closing Fee” mean the same thing. This guide is intended to walk you through this process line by line and block by block. Although completion of the DD Form 1705 can be frustrating at times, the rewards are substantial.

6. After you complete Parts I, II, III, and V of DD Form 1705, be sure to sign your claim in block 16 or 17, as appropriate. Your signature indicates that the information contained is both true and accurate. Submission of a false or fraudulent claim is a crime punishable under applicable Federal laws and may form the basis of administrative disciplinary action up to and including removal from Federal Service.

7. There are a number of other resources available online to assist you. DFAS publishes the Pamphlet for Civilian Permanent Duty Travel (DFAS-CO-1494.1-PH). This pamphlet and other information is located at <https://dfas4dod.dfas.mil/centers/dfasco/customer/travel/index.htm> or <http://www.dfas.mil/pcs.html> on the World Wide Web. Ultimately, the claim will be reviewed by the Defense Finance and Accounting Service (DFAS).

The legal authority for this program is found at 5 USC 5724 and EO 9397 (SSN). Specific regulations pertaining to claims determination are found in the Joint Travel Regulation (JTR), Volume 2 Chapter 5, Part P. These regulations are construed and interpreted by the Civilian Board of Contract Appeals, the General Services Administration Board of Contract Appeals, and by Comptroller General Decisions.

8. Please address any comments concerning this guide to the OSJA, Administrative Law Division at (502) 624-7414 (DSN: 464).



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LINE BY LINE HELP FOR THE DD FM 1705

A. For the Sale of a Former Residence:

Block 21, Sales/Brokers Commission Fees: Using your HUD-1, lines 700-705, enter the amount paid to a broker or real estate agent for selling the former residence.

Block 22, Advertising Fees: These expenses are normally incurred when a broker is not used (“For Sale by Owner”) and will not appear on your HUD-1. If you are claiming these expenses, you must attach receipts or other evidence of payment.

Block 23, Appraisal Fee: Enter the amount appearing on line 804 of your HUD-1. “POC” indicates this was paid outside of closing, be sure to attach your receipt.

Block 24, Legal and Related Fees: Total the amounts appearing in lines 1101 of your HUD-1, which were paid by the SELLER. Also include amounts from line 1201. Do not include title insurance as legal fees. The amount paid for title insurance is entered in block 25f below.

Block 25a, Prepayment Charge: If your mortgagor requires such a payment, you must attach documentation of the amount paid and basis of the requirement (e.g. security instrument).

Block 25b, Lender’s Appraisal Fee: Seller’s appraisal fees are entered in Block 23.

Block 25c, FHA or VA Application Fee: When paid, this amount will be specifically itemized on your HUD-1, usually in one of the additional lines in the 800 block. Include only FHA or VA application fees; do not list other application fees associated with obtaining credit, such as commitment fees, underwriting fees, or real estate fees.

Block 25d, Certification Fee: Total of the amounts you paid as itemized in block 1300 of your HUD-1. Includes inspections required to obtain credit, such as pest, radon, paint and flood certificates.

Block 25e, Credit Report Fee: Enter the amount from line 805 of your HUD-1.

Block 25f, Mortgage Title Policy Fee: Enter the amount from line 1103-1104 of your HUD-1, which records the title insurance cost. Do not claim any life insurance or the other party’s title insurance costs. Only include the amount paid by the seller for title insurance and not the amount paid by the buyer - if separated on the HUD-1.

Block 25g, Escrow Agent’s Fee: Enter the amount from line 1102 of your HUD-1



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Block 25h, City/County/State Tax Stamps: Total the amounts you paid from lines 1204 and 1205 of your HUD-1.

Block 25i, Sales or Transfer Taxes; Mortgage Tax: Where applicable, these taxes will be itemized in line 1203 of the HUD-1 or other appropriate documentation.

Block 26, Other Incidental Expenses: Incidental expenses must be itemized and explained on a separate sheet attached to the DD Form 1705.



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B. For the Purchase of a New Residence:

Block 21, Sales/Brokers Commission Fees are not reimbursable for the purchase of a new residence: Do not include amounts paid in lines 700-704 of your HUD-1.

Block 22, Advertising Fees: These expenses are not reimbursable for purchases.

Block 23, Appraisal Fee: This block is for the seller's appraisal, which is not reimbursable to the purchaser. If your lender required a second appraisal in addition to the seller's appraisal, see Block 25b below.

Block 24, Legal and Related Fees: Total the amounts appearing in lines 1102-1107 of your HUD-1 which were paid by the BORROWER. Also include amounts from line 1201. Do not include title insurance as legal fees. The amount paid for title insurance is entered in block 25f below. Do not include Settlement or closing cost fee (line 1102), this fee is entered in block 25g below.

Block 25a, Prepayment Charge: Not reimbursable for purchases.

Block 25b, Lender's Appraisal Fee: This occurs when your lender requires a second appraisal. If you paid this expense, include the amount from line 804 of the HUD-1.

Block 25c, FHA or VA Application Fee: When paid, this amount will be specifically itemized on your HUD-1, usually in one the additional lines in the 800 block. Include only FHA or VA application fees, do not list other application fees associated with obtaining credit, such as commitment fees, underwriting fees, or real estate fees. Note: VA Funding Fees are not Application Fees, and are not reimbursable.

Block 25d, Certification Fee: Total of the amounts you paid as itemized in the 1300 block of your HUD-1. Also record on this line costs associated with certifications and inspections as required by the creditor, such as home, pest, radon, paint and flood Inspections or certificates.

Block 25e, Credit Report Fee: Enter the amount from line 805 of your HUD-1.

Block 25f, Mortgage Title Policy Fee: Enter the amount from line 1103-1104 of your HUD-1, which records the title insurance cost. Do not claim any life insurance or the other party's title insurance costs.

Block 25g, Escrow Agent's Fee: Enter the amount from line 1102 of your HUD-1.

Block 25h, City/County/State Tax Stamps: Total the amounts you paid from lines 1204 and 1205 of your HUD-1.



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Block 25i, Sales or Transfer Taxes; Mortgage Tax: Where applicable, these taxes will be itemized in line 1203 of the HUD-1 or other appropriate documentation. Note that Tax Service Fees and Underwriting Fees are not reimbursable. The Board has consistently recognized that underwriting and tax service fees are charges paid incident to and as a prerequisite to the extension of credit, and thus are not reimbursable.

Block 26, Other Incidental Expenses: Incidental expenses must be itemized and explained on a separate sheet attached to the DD Form 1705. For the purchaser, this will typically include:

- *Loan Origination Fees* (line 803 of HUD-1): Reimbursable up to 1% of the loan amount (absent some credible evidence that the great majority of purchasers in the local area pay loan origination fees in excess of one percent). Fees equivalent to loan origination fees, but labeled otherwise on the HUD, may also be reimbursable.*
- *Courier fees:* Reimbursable if necessary and not used merely as a convenience.
- *Tax certification fees:* Reimbursable if to certify that the tax was paid and there is no lien against the property is reimbursable.
- *Wire Transfer Fees:* Only reimbursable when wire or handling fees are incidental expenses, if customary and required as a precondition for completion of the real estate transaction and not a cost of obtaining credit. **
- *Homeowner & Cooperative Association Ownership (HOA) fees:* HOA type fees are generally not reimbursable. These types of fees normally fall under membership fees or operation and maintenance fees, all of which are not reimbursable. There is a limited exception for some fees charged in conjunction with the transfer of residences, such as fees for real estate brokerage and for preparing documents for the transfer of ownership, have been held to be reimbursable.
- *More Detailed Information on Reimbursable Costs:* See this Guide at Section C, "Double Check Your Claim." This section gives detailed line by line analysis that corresponds with the HUD line numbers.

Notes:

*Some charges recorded under the 800 section of the HUD receipt may be equivalent to loan origination fees, even if they are labeled otherwise. This is most likely when no fee is listed under section 801. A Loan Origination Fee is defined as, "a fee paid by the borrower to compensate the lender for administrative type expenses incurred in originating and processing a loan." The Boards have given guidance as to what type of evidence should be submitted to support a claim that a fee charged is actually the equivalent of a loan origination fee.

** Charges associated with the extension of credit, however, are not allowable under the Federal Travel Regulation (FTR), which provides that unless specifically authorized elsewhere in the regulation, no fees, charges, costs, or expenses determined to be part of the finance charge under the Truth in Lending Act, 15 U.S.C. § 1605 (1994), may be reimbursed. The Truth in Lending Act provides that the finance charge shall be determined as the sum of all charges imposed directly or indirectly by the creditor incident to the extension of credit.

*** The JTR expressly prohibits the reimbursement of fees related to operating and maintenance costs. The GSA and Boards have long held that HOA & Cooperative fees are the responsibility



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of the homeowner and “an item of added value for the benefit of the purchaser and not part of the reimbursable expenses of purchasing a home at the new official duty station, nor is it required for an extension of credit by the lending institution.” Even when a lump sum payment at closing is required, it is usually considered to be non-reimbursable.



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C. Double-check your claim:

Using your HUD-1, scan down the reverse side, page 2, to ensure all of the reimbursable items have been included in the correct block on your DD Form 1705. Be sure to claim only those amounts that you paid (whether buyer or seller).

Lines 700-704: Total Sales/Broker's Commission based on price \$ may be claimed by SELLERS in Block 21 of DD Form 1705. This amount may not exceed 6% of the contract price without justification. BUYERS are not reimbursed.

Line 801: Our Origination Charge. This is not reimbursable.

Line 802: Your Credit or charge (points). This is not reimbursable.

Line 803: Your adjusted origination charges. BUYERS will normally be reimbursed for up to 1% of the loan amount if itemized as an incidental expense in Block 26.

Line 804: Appraisal Fee. SELLERS will be reimbursed in Block 23

Line 805: Credit Report. Reimbursable in Block 25e.

Line 806: Tax Service. This is not reimbursable.

Line 807: Flood certification. This is not reimbursable. *Lines 808-11:* Fees paid as a condition for obtaining credit are not reimbursable. Sometimes described as "Loan Application Fee," "Commitment Fee," "Underwriting Fee," "Tax Service Fee," or "Real Estate Fee" are not reimbursable expenses.

Lines 900-904: Items Required by Lender to be Paid in Advance. These expenses are not reimbursable.

Line 1001-1007: Reserves deposited with Lender. These items are generally not reimbursable.

Line 1101: Title services and lenders title insurance. Lenders Coverage. Reimbursable in block 25f. Owners Coverage. This is not a reimbursable expense.

Lines 1102: Settlement or Closing Fee. Reimbursable in block 25g. Title Charges. Reimbursable in block 24.

Line 1103-1110: Title Insurance information.

Line 1201: Recording Fees. Reimbursable if itemized in block 26.

Line 1202: City/County tax/stamps. Reimbursable in block 25h.



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Line 1203: Sales/Transfer or Mortgage Taxes. Reimbursable in block 25i.

Lines 1204: State tax/stamps. Reimbursable in block 25h.

Line 1301-1305: Additional Settlement Charges. Some items may be payable. ie. Survey. Reimbursable in block 24. Pest Inspection. Reimbursable in block 25d. Radon testing or other environmental testing is reimbursable when required by lender. Additional Settlement Charges. Often reimbursable in block 26. But see part D, Common Errors, below..



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D. Common Errors;

Any amount paid to reduce the interest rate (“points”) will appear on line 802 of the HUD-1, Loan Discount, and is not reimbursable to either the buyer or seller.

Some lenders charge additional fees apart from interest. These fees are typically identified in lines 808-811 and go by many names: “Loan Application Fee,” “Commitment Fee,” “Underwriting Fee,” “Tax Service Fee,” or “Real Estate Fee.” In most cases, these are finance charges under the Truth in Lending Act and Regulation Z and are not reimbursable.

Any amount paid to guarantee repayment of the loan, such as lines 902 and 903, Mortgage and Hazard Insurance, is not reimbursable..

The costs of paying taxes are different from the tax itself. Tax stamps certify payment. Grantors and Transfer taxes are part of the transaction and are reimbursable. The tax due on the property varies based on the value and is not reimbursable. Therefore, the costs itemized on line 1204-1205 are claimed in block 25h, but taxes from lines 1004 are not included.

Some mortgage brokers and title companies will itemize expenses on the HUD-1 using the miscellaneous lines rather than the commonly reimbursed lines. Remember, if you pay a reimbursable expense; be sure to claim it regardless of which line number it is hidden under. However, provide an explanation as to the claimed expense on an attached sheet of paper if the cost is not recorded on a commonly reimbursable HUD line.

Sometimes a seller will agree to incur closing costs that normally are paid by the purchaser. Unless you personally incur the cost as portrayed in the HUD-1, you may not claim the expense on the DD fm 1705



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APPENDIX Understanding the HUD-1.

A. Specific Settlement Costs

This part of the guide discusses the settlement services which you may be required to get and pay for and which are itemized in Section L of the HUD-1 Settlement Statement. You also will find a sample of the HUD-1 form to help you to understand the settlement transaction.

When shopping for settlement services, you can use this section as a guide, noting on it the possible services required by various lenders and the different fees quoted by service providers. Settlement costs can increase the cost of your loan, so compare carefully.

700 Series, Total Real Estate Broker Fees

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. \$ 6,000.00 to ABC Real Estate Co.		
702. \$ 6,000.00 to XYZ Real Estate Co.		
703. Commission paid at settlement		\$12,000.00

This section of the settlement statement shows the commissions paid to the real estate agents. There are no corresponding lines on the GFE because the lender does not require this service before you get your loan.

800 Series, Items Payable in Connection with Loan

800. Items Payable in Connection with Loan			
801. Our origination charge	includes origination point(s) (1% or \$2,000)	\$ 6,750.00	(from GFE #1)
802. Your credit or charge (points) for the specific interest rate chosen		- \$ 3,000.00	(from GFE #2)
803. Your adjusted origination charges			(from GFE #A) \$3,750.00

Line 801, "Our origination charge," lists the lender's and mortgage broker's charge for getting you the loan and references GFE Block 1. In this example, Line 801 designates an origination point of \$2,000 for possible tax deductibility.

Line 802 lists either the charge for the interest rate (points) or a credit and references GFE Block 2.



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Line 803 lists “Your adjusted origination charges.” This amount is the sum of Lines 801 and 802 and references Block A on the GFE.

804. Appraisal fee to Appraisal Company	(from GFE #3)	\$325.00
805. Credit report to Credit Report Company	(from GFE #3)	\$40.00
806. Tax service to Tax Service Company	(from GFE #3)	\$76.00
807. Flood certification to Flood Certification Company	(from GFE #3)	\$12.00
808.		

Line 804 is the charge for the appraisal report prepared by an appraiser.

Line 805 is the fee for a credit report showing your credit history.

Line 806 is the fee paid to a tax service provider for information on the real estate property taxes.

Line 807 is the fee paid to the service providing information on whether the property is in a flood zone.

Lines 804, 805, 806 and 807 usually reference GFE Block 3.

Lines 808 and any additional lines are used to list other third party services required by your lender, including FHA or VA fees.

900 Series, Items Required by Lender to be Paid in Advance

900. Items Required by Lender to be Paid in Advance		
901. Daily interest charges from 1/31/2010 to 2/1/2010 @ \$ 28.00 /day	(from GFE #10)	\$28.00
902. Mortgage insurance premium for months to	(from GFE #3)	
903. Homeowner's insurance for 1 years to Insure-It (\$600 P.O.C. by borrower)	(from GFE #11)	

These are charges which the lender requires to be prepaid at settlement.

Line 901 lists the daily interest charges collected for the period between the date of your settlement and the first day of the next month. This charge is disclosed in Block 10 of your GFE. In this example, the loan closed on 1/31/10, and the interest on the GFE was calculated with a 1/31/10 closing date so the charges are the same on both. This amount on Line 901 may differ from the amount on the GFE if the settlement date changes.



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Line 902 lists the charge for any up-front mortgage insurance premium payment due at settlement. This is one of the charges disclosed in GFE Block 3 of your GFE. In this example, there is no payment due.

Line 903 is the charge for the homeowner’s insurance policy and is one of the charges disclosed in Block 11 of your GFE. In the example, the homeowner’s insurance was paid prior to the day of settlement so the charge is listed as “P.O.C. by borrower”. P.O.C. stands for “Paid Outside of Closing”. You typically have to bring a pre-paid insurance policy to your settlement.

1000 Series, Reserves Deposited with Lender

1000. Reserves Deposited with Lender			
1001. Initial deposit for your escrow account		(from GFE #9)	\$350.00
1002. Homeowner’s insurance	1	months @ \$ 50.00 per month	\$ 50.00
1003. Mortgage insurance	1	months @ \$ 100.00 per month	\$ 100.00
1004. Property Taxes	2	months @ \$ 200.00 per month	\$ 400.00
1005.		months @ \$ per month	\$
1006.		months @ \$ per month	\$
1007. Aggregate Adjustment			-\$ 200.00

This series of the HUD-1 lists the amounts collected by the lender to be placed in your escrow account for future payments of items such as homeowner’s insurance, mortgage insurance and property taxes. Line 1007 is an adjustment to make sure lenders are only collecting the maximum amount allowed by law. In this example, even though the first year’s homeowner’s insurance premium has already been paid, the lender has started escrowing money to pay the next bill.

1100 Series, Title Charges

1100. Title Charges			
1101. Title services and lender’s title insurance		(from GFE #4)	\$1,275.00
1102. Settlement or closing fee to 3rd Party Closing Company		\$ 100.00	\$125.00
1103. Owner’s title insurance to Title Town USA		(from GFE #5)	\$175.00
1104. Lender’s title insurance		\$ 725.00	
1105. Lender’s title policy limit \$ 200,000.00			
1106. Owner’s title policy limit \$ 210,000.00			
1107. Agent’s portion of the total title insurance premium to	Title Town USA	\$ 720.00	
1108. Underwriter’s portion of the total title insurance premium to	Underwriter	\$ 180.00	

Line 1101 lists the charge for all title services and the lender’s title insurance policy. Title services includes any service involved with providing title insurance, such as title examination,



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preparing the title commitment, clearing the title to the property, preparing and issuing the title policies and conducting the settlement. These charges correspond to GFE Block 4.

Line 1102 is the amount of the settlement or closing fee if performed by a company different from the one providing title insurance. This charge is part of the charge listed in Line 1101.

Line 1103 lists the charge for the Owner's title insurance policy, if you decided to buy one. It corresponds to Block 5 of the GFE.

Line 1104 lists the charge for the Lender's title insurance policy which is part of the charge listed in Line 1101.

Line 1105 is the Lender's title policy limit. It often is lower than the value of the property because it only covers the amount of your lender's lien on your property.

Line 1106 lists the Owner's title policy limit. The liability limit of the owner's policy is typically the purchase price paid for the property.

Line 1107 lists the portion of the title insurance premiums retained by the title insurance agent.

Line 1108 lists the portion of the title insurance premiums retained by the underwriter.

1200 Series, Government Recording and Transfer Charges

1200. Government Recording and Transfer Charges			
1201. Government recording charges		(from GFE #7)	\$50.00
1202. Deed \$ 25.00	Mortgage \$ 25.00	Release \$ 15.00	\$15.00
1203. Transfer taxes		(from GFE #8)	\$1,368.00
1204. City/County tax/stamps	Deed \$ 684.00	Mortgage \$	
1205. State tax/stamps	Deed \$ 684.00	Mortgage \$	

Government recording charges listed in the 1200 series on the HUD-1 are charges paid to state and local governmental agencies to record important documents such as the deed and mortgage or deed of trust and transfer taxes to legally transfer property.

Line 1201 lists all government recording charges and corresponds to Block 7 of your GFE. This represents the cumulative amount the borrower is paying for government recording charges.



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Line 1202 itemizes specific recording charges for the deed, the mortgage, and any releases of prior liens against your property shown in Line 1201. When the seller pays for an item, such as a release, the charge is listed in the seller's column.

In this example, the borrower is paying \$50.00 of the recording charges, and the seller is paying \$15.00. The total paid for the government recording charges was \$65.00 (borrower \$50.00 / seller \$15.00).

Line 1203 lists the charge for transfer taxes. Transfer taxes are charged by state or local government to transfer real property or place a new lien (mortgage or deed of trust) on a property. This charge is listed in Block 8 of your GFE.

Lines 1204 and 1205 itemize the charges for transfer taxes listed in Line 1203.

Line 1206 can be used to list additional items related to recording or transfer charges.

In our example, the government recording charge that appeared in block 7 of the GFE was \$50.00 which is illustrated in the column on line 1201 on the HUD-1.

Series 1300, Additional Settlement Charges

1300. Additional Settlement Charges		
1301. Required services that you can shop for	(from GFE #6)	\$295.00
1302. Survey to Measure-It	\$ 250.00	
1303. Pest inspection to Rid-A-Bug	\$ 45.00	
1304. Home Warranty to Home Warranty Company		\$300.00
1305.		
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		\$8,044.00

Line 1301 is the total of lender required services for which you chose the provider (other than title services). These services are itemized in the lines below 1301. These charges are listed in Block 6 of your GFE.

In addition to services the loan originator required there may be additional services that you chose. In our example, Line 1304 lists a homeowner's warranty to provide protection for your home's mechanical systems and appliances. A charge for a pest inspection or survey will appear as a line item in the 1300 series of the HUD-1, if the borrower elected to obtain an inspection or survey that was not a condition of the loan or required by the lender.

Line 1400 is the total of all charges listed in page 2 on the HUD-1 for the seller and you, the buyer. These totals are also listed on page 1 of the HUD-1. Your charges appear in Section J,



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Summary of the Borrower's Transaction, on Line 103. The seller's charges are listed in Section J, Summary of Seller's Transaction, on Line 502.

Paid Outside of Closing ("POC"): Some fees may be listed on the HUD-1 to the left of the borrower's column and marked "P.O.C." Fees such as those for credit reports and appraisals are usually paid by the borrower before closing/settlement. They are additional costs to you. Other fees such as those paid by the lender to a mortgage broker or other settlement service providers may be paid after closing/settlement. These fees are usually included in the interest rate or other settlement charge. They are not an additional cost to you. These types of fees will not be added into the total on Line 1400.