



BUYER'S ACQUISITION COSTS

Cost Estimate for Acquisition of Property

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is used by a buyer agent when reviewing with their client-buyer the property pricing in a representation agreement, purchase agreement offer or counteroffer, to prepare an estimate of acquisition costs and the source of funds to close the transaction.

The figures estimated often vary when incurred. Figures estimated are given as an opinion, not a guarantee.

To analyze the federal income tax consequences in a §1031 Reinvestment Plan, use a §1031 Profit and Basis Recap Sheet. [See RPI Form 354]

DATE: _____, 20____, at _____, California.

1. This is an estimate of acquisition costs and the funds required to close the following transaction:

- Representation Agreement Purchase Agreement Counteroffer Escrow Instructions

1.1 entered into by _____,

1.2 dated _____, 20____, at _____, California,

1.3 regarding real estate referred to as _____

2. EXISTING FINANCING ASSUMED:

2.1 First Trust Deed of Record.....\$ _____

2.2 Second Trust Deed of Record.....\$ _____

2.3 Other Encumbrances/Liens/Bonds.....\$ _____

2.4 **TOTAL** Encumbrances Assumed [lines 2.1 to 2.3].....(+) \$ _____

a. When mortgage balance adjustments are to be made in cash, the total funds required to close escrow at §10 and §12 will vary.

3. INSTALLMENT SALE FINANCING:

3.1 Seller Carryback Financing.....(+) \$ _____

4. NEW FINANCING ORIGINATED:

4.1 New Mortgage Amount(+) \$ _____

4.2 Points/Discount.....\$ _____

4.3 Appraisal Fee.....\$ _____

4.4 Credit Report Fee.....\$ _____

4.5 Miscellaneous Origination Fees.....\$ _____

4.6 Prepaid Interest.....\$ _____

4.7 Mortgage Insurance Premium (MIP).....\$ _____

4.8 Lender's Title Policy Premium.....\$ _____

4.9 Tax Service Fee.....\$ _____

4.10 Mortgage Brokerage Fee.....\$ _____

4.11 Other _____ \$ _____

4.12 **TOTAL** New Financing Costs [lines 4.2 to 4.11].....(+) \$ _____

5. PURCHASE COSTS AND CHARGES:

5.1 Assumption Fees (First).....\$ _____

5.2 Assumption Fees (Second).....\$ _____

5.3 Escrow Fee.....\$ _____

5.4 Notary Fee.....\$ _____

5.5 Document Preparation Fee.....\$ _____

5.6 Recording Fee/Transfer Taxes.....\$ _____

5.7 Title Insurance Premium.....\$ _____

- 5.8 Property Condition Reports.....\$ _____
- 5.9 Cost of Compliance Repairs\$ _____
- 5.10 Other _____.....\$ _____
- 5.11 Other _____.....\$ _____
- 5.12 **TOTAL** Closing Costs [lines 5.1 to 5.11].....(+)\$ _____
- 5.13 Down Payment on Price.....(+)\$ _____

6. TOTAL ESTIMATED ACQUISITION COST [lines 2.4, 3.1, 4.1, 4.12, 5.12 and 5.13].....(=)\$ _____

6.1 No post-closing repairs or renovation cost are included here.

7. FUNDS REQUIRED TO CLOSE ESCROW:

- 7.1 Down Payment On Price (From line 5.13).....(+)\$ _____
- 7.2 Closing Costs (From line 5.12).....(+)\$ _____
- 7.3 New Mortgage Proceeds (From line 4.1).....(+)\$ _____
- 7.4 New Financing Costs (From line 4.12).....(+)\$ _____
- 7.5 Impounds for New Financing.....(+)\$ _____
- 7.6 Hazard Insurance Premium.....(+)\$ _____

8. PRORATES DUE BUYER AT CLOSING:

- 8.1 Unpaid Taxes/Assessments.....\$ _____
- 8.2 Interest Accrued and Unpaid.....\$ _____
- 8.3 Unearned Rental Income.....\$ _____
- 8.4 Tenant Security Deposits.....\$ _____
- 8.5 **TOTAL** Prorates Due Buyer [lines 8.1 to 8.4].....(-)\$ _____

9. PRORATES DUE SELLER AT CLOSING:

- 9.1 Prepaid Taxes/Assessments.....\$ _____
- 9.2 Impound Account Balance.....\$ _____
- 9.3 Prepaid Homeowners' Assessment.....\$ _____
- 9.4 Prepaid Ground Lease Rent.....\$ _____
- 9.5 Unpaid Rent Assigned to Buyer.....\$ _____
- 9.6 Other _____.....\$ _____
- 9.7 **TOTAL** Prorates Due Seller [lines 9.1 to 9.6].....(+)\$ _____

10. TOTAL FUNDS REQUIRED TO CLOSE ESCROW: [lines 7.1 to 7.6, less 8.5 plus 9.7].....(=)\$ _____

10.1 See §2.4.a. adjustments.

11. SOURCE OF FUNDS REQUIRED TO CLOSE ESCROW:

- 11.1 New First Mortgage Amount (From line 4.1).....\$ _____
- 11.2 New Second Mortgage Amount (Net Mortgage Proceeds).....\$ _____
- 11.3 Third-Party Deposits.....\$ _____
- 11.4 Buyer's Cash.....\$ _____

12. TOTAL FUNDS REQUIRED TO CLOSE ESCROW: (Same as line 10).....(=)\$ _____

I have prepared this estimate based on my knowledge and readily available data.

Date: _____, 20____
Broker: _____
Agent: _____
DRE#: _____

Signature: _____

I have read and received a copy of this estimate.

Date: _____, 20____
Buyer's Name: _____

Signature: _____

Signature: _____