

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued 5/29/2024
Closing Date 5/31/2024
Disbursement Date 5/31/2024
Settlement Agent Mercogliano & Associates
File # 2024-1009
Property 118 Riverwood Dr
 Fuquay Varina, NC 27526
Sale Price \$478,000

Transaction Information

Borrower Lauren Elisabeth Highsmith
 3312 Overhead Ct
 Willow Spring, NC 27592
Seller Norman D. Grodi Jr
 118 Riverwood Dr
 Fuquay Varina, NC 27526
Lender State Employees' Credit Union

Loan Information

Loan Term 30 years
Purpose Purchase
Product 5 / 5 Adjustable Rate
Loan Type Conventional FHA
 VA
Loan ID # 0829694884
MIC #

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$480,000	NO	
Interest Rate	6.9%	YES	<ul style="list-style-type: none"> • Adjusts every 5 years starting in year 6 • Can go as high as 12.9% in year 16 • See AIR Table on page 4 for details
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$3,161.28	YES	<ul style="list-style-type: none"> • Adjusts every 5 years starting in year 6 • Can go as high as \$4,802 in year 16
Does the loan have these features?			
Prepayment Penalty		NO	
Balloon Payment		NO	

Projected Payments				
Payment Calculation	Years 1 - 5	Years 6 - 10	Years 11 - 15	Years 16 - 30
Principal & Interest	\$3,161.28	\$2,612 min \$3,757 max	\$2,367 min \$4,312 max	\$2,367 min \$4,802 max
Mortgage Insurance	+ 0	+ 0	+ 0	+ 0
Estimated Escrow <i>Amount can increase over time</i>	+ 374.30	+ 374.30	+ 374.30	+ 374.30
Estimated Total Monthly Payment	\$3,535.58	\$2,986 - \$4,131	\$2,741 - \$4,686	\$2,741 - \$5,176
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$374.30 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>		In escrow? YES YES

Costs at Closing	
Closing Costs	\$8,827.39 Includes \$5,722.00 in Loan Costs + \$3,105.39 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Cash to Close	-\$395.99 Includes Closing Costs See Calculating Cash to Close on page 3 for details.



Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$2,500.00				
01 % of Loan Amount (Points)					
02 Origination Fee	\$2,500.00				
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$550.00				
01 Appraisal Fee					
02 Credit Report Fee					
03 Flood Determination Fee					
04					
05					
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$2,672.00				
01 Title - Lender's Title Policy					
02 Title - Settlement Agent Fee					
03					
04					
05					
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	\$5,722.00				
Loan Costs Subtotals (A + B + C)	\$5,172.00	\$550.00			

Other Costs					
E. Taxes and Other Government Fees	\$104.00				
01 Recording Fees	Deed: \$33.00	Mortgage: \$71.00	\$104.00		
02 State Tax		to Harnett County Register of Deeds		\$33.00	
				\$956.00	
F. Prepays	\$2,226.74				
01 Homeowner's Insurance Premium (12 mo.) to Allstate Vehicle and Property Insurance Company			\$2,136.00		
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (\$90.74 per day from 5/31/24 to 6/1/24)			\$90.74		
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing	\$748.65				
01 Homeowner's Insurance \$178.00 per month for 2 mo.			\$356.00		
02 Mortgage Insurance per month for mo.					
03 Property Taxes \$196.30 per month for 7 mo.			\$1,374.10		
04					
05					
06					
07					
08 Aggregate Adjustment			-\$981.45		
H. Other	\$26.00				
01 Clearance of Title		to Mercogliano & Associates			\$450.00
02 Deed Prep Fee		to Morgan & Perry			\$300.00
03 Lien Release		to Mercogliano & Associates		\$175.00	
04 Real Estate Commission Buyers Broker		to Compass Real Estate			\$11,472.00
05 Real Estate Commission Sellers Broker		to Exp Realty, LLC Clayton			\$11,472.00
06 Title - Owner's Title Policy (Optional)		to Fidelity National Title Insurance Comp	\$26.00		
07 Wire Transfer Fee		to Mercogliano & Associates		\$100.00	
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	\$3,105.39				
Other Costs Subtotals (E + F + G + H)			\$3,105.39		
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$8,827.39				
Closing Costs Subtotals (D + I)	\$8,277.39	\$550.00	\$1,264.00	\$23,694.00	\$66.22
Lender Credits					

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$11,128.00	\$8,827.39	YES • See Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	-\$550.00	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	-\$2,000.00	-\$2,000.00	NO
Down Payment/Funds from Borrower	\$0	\$0	NO
Deposit	-\$2,000.00	-\$2,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	-\$1,695.00	YES • See Seller-Paid Column on Page 2 and Seller Credits in Section L
Adjustments and Other Credits	-\$2,000.00	-\$2,978.38	YES • See details in Sections K and L
Cash to Close	\$5,128.00	-\$395.99	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing	\$486,277.39
01 Sale Price of Property	\$478,000.00
02 Sale Price of Any Personal Property Included In Sale	
03 Closing Costs Paid at Closing (J)	\$8,277.39
04 Payoffs and Payments	
Adjustments	
05	
06	
07	
Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to	
09 County Taxes to	
10 Assessments to	
11	
12	
13	
14	
15	
L. Paid Already by or on Behalf of Borrower at Closing	\$486,673.38
01 Deposit	\$2,000.00
02 Loan Amount	\$480,000.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	\$1,695.00
Other Credits	
06 Due Diligence	\$2,000.00
07	
Adjustments	
08	
09	
10	
11	
Adjustments for Items Unpaid by Seller	
12 City/Town Taxes to	
13 County Taxes 1/1/24 to 5/31/24	\$978.38
14 Assessments to	
15	
16	
17	
CALCULATION	
Total Due from Borrower at Closing (K)	\$486,277.39
Total Paid Already by or on Behalf of Borrower at Closing (L)	-\$486,673.38
Cash to Close <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$395.99

SELLER'S TRANSACTION

M. Due to Seller at Closing	\$478,000.00
01 Sale Price of Property	\$478,000.00
02 Sale Price of Any Personal Property Included in Sale	
03	
04	
05	
06	
07	
08	
Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to	
10 County Taxes to	
11 Assessments to	
12	
13	
14	
15	
16	
N. Due from Seller at Closing	\$71,438.62
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	\$1,264.00
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	\$65,501.24
05 Payoff of Second Mortgage Loan	
06 Due Diligence	\$2,000.00
07	
08 Seller Credit	\$1,695.00
09	
10	
11	
12	
13	
Adjustments for Items Unpaid by Seller	
14 City/Town Taxes to	
15 County Taxes 1/1/24 to 5/31/24	\$978.38
16 Assessments to	
17	
18	
19	
CALCULATION	
Total Due to Seller at Closing (M)	\$478,000.00
Total Due from Seller at Closing (N)	-\$71,438.62
Cash to Close <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$406,561.38

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

- will allow, under certain conditions, this person to assume this loan on the original terms.
- will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 4% of your overdue payment of principal and interest.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
 - may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
 - does not accept any partial payments.
- If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
118 Riverwood Dr, Fuquay Varina, NC 27526

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$4,491.60	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Tax
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment	\$748.65	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$374.30	The amount included in your total monthly payment.

- will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Adjustable Interest Rate (AIR) Table

Index + Margin	5 Year CMT + 2.5%
Initial Interest Rate	6.9%
Minimum/Maximum Interest Rate	3.75%/12.9%
Change Frequency	
First Change	Beginning of 61st month
Subsequent Changes	Every 60th month after first change
Limits on Interest Rate Changes	
First Change	2%
Subsequent Changes	2%

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$1,120,350.73
Finance Charge. The dollar amount the loan will cost you.	\$637,128.73
Amount Financed. The loan amount available after paying your upfront finance charge.	\$477,409.26
Annual Percentage Rate (APR) Your costs over the loan term expressed as a rate. This is not your interest rate.	6.789%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	132.214%

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not received it yet, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	State Employees' Credit Union		Compass	Exp Realty, LLC - Clayton	Mercogliano & Associates
Address	3101 Wake Forest Rd, Raleigh, NC 27609		201 Fenton Gateway Drive, Suite 200, Cary, NC 27511	490 Nc Hwy 42w Ste 202, Clayton, NC 27520	7621 Purfoy Road Suite 211, Fuquay-Varina, NC 27526
NMLS ID	430055				
NC License ID			C30363	C22682	
Contact	Shawanda Glenn		Holly Hendren	Tracy Cook	Kathy Anderson Mercogliano
Contact NMLS ID	1987441				
Contact NC License ID			229971	290064	27972
Email	Shawanda.Glenn@ncsecu.org		holly.hendren@compass.com	tracy@gowatson.biz	KMERCGLIANO@FUQUAYVARINALAW.COM
Phone	(877) 589-1547		(919) 946-2766	(919) 761-0405	(919) 552-2501

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Lauren Elisabeth Highsmith

Date

5/31/24

Meredith Mahon Highsmith

Date

5/31/24

Addendum

Transaction Information

Borrower
Meredith Mahon Highsmith
3312 Overhead Ct
Willow Spring , NC 27592