OMB Approval No. 2502-0265

A. Settlement Statement (HUD-1)

FINAL

B. Type of Loan

1. ☐ FHA 2. ☐ RHS 3. ☐ Conv. Unins. 4. ☐ VA 5. ☐ Conv. Ins.	6. File Number: 26-1901	7. Loan Number:	8. Mortgage Insurance Case Number:

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agents are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower: Annette Watson	E. Name & Address of Seller: Diversified Residential Homes 2, LLC P.O. Box 464, Elmsford, NY 10523	F. Name & Address of Lender:
G. Property Location: 3018 Presstman Street Baltimore, MD 21216	H. Settlement Agent: The Law Office of Kurt M. Mueller, Esquire 600 Washington Avenue, Suite 301, Towson, MD 21204 Telephone: 410-404-7016 Fax: 443-288-2675	I. Settlement Date: 05/14/2026 Disbursement Date: 05/14/2026
	Place of Settlement: 600 Washington Avenue, Suite 301, Towson, MD 21204	TitleExpress Printed 05/14/2026 at 10:20 am by KM

J. Summary of Borrower's Transaction

100.	**Gross Amount Due from Borrower**	
101.	Contract sales price	108,000.00
102.	Personal property	
103.	Settlement charges to borrower (line 1400)	4,194.84
104.		
105.		
	Adjustments for items paid by seller in advance	
106.	City/town taxes 05/14/2026 to 06/30/2026	555.98
107.	County taxes to	
108.	Assessments to	
109.		
110.		
111.		
112.		
120.	**Gross Amount Due from Borrower**	**112,750.82**
200.	**Amounts Paid by or in Behalf of Borrower**	
201.	Deposit or earnest money	1,000.00
202.	Principal amount of new loan(s)	
203.	Existing loan(s) taken subject to	
204.		
205.		
206.		
207.		
208.		
209.		
	Adjustments for items unpaid by seller	
210.	City/town taxes to	
211.	County taxes to	
212.	Assessments to	
213.		
214.		
215.		
216.		
217.		
218.		
219.		
220.	**Total Paid by/for Borrower**	**1,000.00**
300.	**Cash at Settlement from/to Borrower**	
301.	Gross amount due from borrower (line 120)	112,750.82
302.	Less amounts paid by/for borrower (line 220)	1,000.00
303.	**Cash** ☒ **From** ☐ **To Borrower**	**111,750.82**

K. Summary of Seller's Transaction

400.	**Gross Amount Due to Seller**	
401.	Contract sales price	108,000.00
402.	Personal property	
403.		
404.		
405.		
	Adjustments for items paid by seller in advance	
406.	City/town taxes 05/14/2026 to 06/30/2026	555.98
407.	County taxes to	
408.	Assessments to	
409.		
410.		
411.		
412.		
420.	**Gross Amount Due to Seller**	**108,555.98**
500.	**Reductions In Amount Due to Seller**	
501.	Excess deposit (see instructions)	
502.	Settlement charges to seller (line 1400)	5,935.00
503.	Existing loan(s) taken subject to	
504.	Payoff of first mortgage loan to Situs Asset Management	164,229.55
505.	Payoff of second mortgage loan	
506.		
507.	Disbursed as proceeds ($1,000.00)	
508.		
509.		
	Adjustments for items unpaid by seller	
510.	City/town taxes to	
511.	County taxes to	
512.	Assessments to	
513.		
514.		
515.		
516.		
517.		
518.		
519.		
520.	**Total Reduction Amount Due Seller**	**170,164.55**
600.	**Cash at Settlement to/from Seller**	
601.	Gross amount due to seller (line 420)	108,555.98
602.	Less reductions in amount due seller (line 520)	170,164.55
603.	**Cash** ☐ **To** ☒ **From Seller**	**61,608.57**

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

L. Settlement Charges

	Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Real Estate Broker Fees $ 5,400.00		
Division of commission (line 700) as follows:		
701. $1,890.00 to Winning Edge		
702. $2,700.00 to Execuhome Realty		
$810.00 to Sylvan Realty LLC		
703. Commission paid at settlement		5,400.00
800. Items Payable in Connection with Loan		
801. Our origination charge (Includes Origination Point 0.000% or $0.00) $ (from GFE #1)		
802. Your credit or charge (points) for the specific interest rate chosen $ (from GFE #2)		
803. Your adjusted origination charges (from GFE A)		
804. Appraisal fee to (from GFE #3)		
805. Credit report to (from GFE #3)		
806. Tax service to (from GFE #3)		
807. Flood certification to (from GFE #3)		
808. to		
900. Items Required by Lender to be Paid in Advance		
901. Daily interest charges from from 05/14/2026 to 06/01/2026 @ $0.00/day (from GFE #10)		
902. Mortgage insurance premium months to (from GFE #3)		
903. Homeowner's insurance months to (from GFE #11)		
904. months to (from GFE #11)		
1000. Reserves Deposited with Lender		
1001. Initial deposit for your escrow account (from GFE #9)		
1002. Homeowner's insurance months @ $ /month		
1003. Mortgage insurance months @ $ /month		
1004. Property taxes months @ $ 0.00/month $		
1005. months @ $ /month		
1006. Assessments months @ $ 0.00/month $		
1007. Aggregate Adjustment $		
1100. Title Charges		
1101. Title services and lender's title insurance $ (from GFE #4)	495.00	
1102. Settlement or closing fee to The Law Office of Kurt M. Mueller, Esquire $495.00		
1103. Owner's title insurance - Old Republic National Title Insurance Co. $ (from GFE #5)	699.84	
1104. Lender's title insurance - Old Republic National Title Insurance Co. $		
1105. Lender's title policy limit $0.00 Lender's Policy		
1106. Owner's title policy limit $108,000.00 Owner's Policy		
1107. Agent's portion of the total title insurance premium $524.88		
1108. Underwriter's portion of the total title insurance premium $174.96		
1109. Title Review to The Law Office of Kurt M. Mueller, Esquire	275.00	
1110. Title Search to MTS Group LLC	135.00	
1111. Lien Certificate to The Law Office of Kurt M. Mueller, Esquire	55.00	
1112. Hand Recorder to Good Deeds LLC	50.00	
1200. Government Recording and Transfer Charges		
1201. Government recording charges $ (from GFE #7)	60.00	
1202. Deed $60.00 Mortgage $ Release $		
1203. Transfer taxes $ (from GFE #8)	2,425.00	
1204. City/County tax/stamps Deed $860.00 Mortgage $		
1205. FTHB State Transfer Tax Deed $275.00 Mortgage $		
1206. Transfer Tax Deed $1,290.00 Mortgage $		
1300. Additional Settlement Charges		
1301. Required services that you can shop for (from GFE #6)		
1302. to		
1303. to		
1304. Seller wire/release/overnight fee to The Law Office of Kurt M. Mueller, Esquire		275.00
1305. Outstanding Water Bill to Director of Finance		260.00
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)	**4,194.84**	**5,935.00**

*Paid outside of closing by (B)orrower, (S)eller, (L)ender, (I)nvestor, Bro(K)er. **Credit by lender shown on page 1. ***Credit by seller shown on page 1.

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	**HUD-1 Line Number**		
Our origination charge	# 801	0.00	0.00
Your credit or charge (points) for the specific interest rate chosen	# 802	0.00	0.00
Your adjusted origination charges	# 803	0.00	0.00
Transfer taxes	# 1203	0.00	0.00

Charges That in Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201	0.00	60.00
Owner's title insurance - Old Republic National Title Insurance Co.	# 1103	0.00	699.84
	#		
	#		
	#		
	#		
	#		
	#		
	Total	0.00	759.84
	Increase between GFE and HUD-1 Charges	$ 759.84 or	999.9999%

Charges That Can Change		Good Faith Estimate	HUD-1
Initial deposit for your escrow account	# 1001	0.00	0.00
Daily interest charges from	# 901 $ /day	0.00	0.00
Homeowner's insurance	# 903	0.00	0.00
Title services and lender's title insurance	# 1101	0.00	495.00
	#		
	#		
	#		

Loan Terms

Your initial loan amount is	$
Your loan term is	years
Your initial interest rate is	%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	$ includes ☐ Principal ☐ Interest ☐ Mortgage Insurance
Can your interest rate rise?	☒ No. ☐ Yes, it can rise to a maximum of %. The first change will be on / / and can change again every years after / / . Every change date, your interest rate can increase or decrease by %. Over the life of the loan, your interest rate is guaranteed to never be **lower** than % or **higher** than %.
Even if you make payments on time, can your loan balance rise?	☒ No. ☐ Yes, it can rise to a maximum of $.
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	☒ No. ☐ Yes, the first increase can be on / / and the monthly amount owed can rise to $. The maximum it can ever rise to is $.
Does your loan have a prepayment penalty?	☒ No. ☐ Yes, your maximum prepayment penalty is $.
Does your loan have a balloon payment?	☒ No. ☐ Yes, you have a balloon payment of $ due in years on / / .
Total monthly amount owed including escrow account payments	☒ You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. ☐ You have an additional monthly escrow payment of $ that results in a total initial monthly amount owed of $. This includes principal, interest, any mortgage insurance and any items checked below: ☐ Property taxes ☐ Homeowner's insurance ☐ Flood insurance ☐ ☐ ☐

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

Signature Page

HUD CERTIFICATION OF BUYER AND SELLER

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Buyers

Annette Watson

Annette Watson

Sellers

DIVERSIFIED RESIDENTIAL HOMES 2, LLC

Kimberly Jenkins, Director of Administration

Settlement Agent

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

SETTLEMENT AGENT

5/14/26

DATE