

AIM® for Windows

Entering Earnest Money Held By Real Estate Agent

Overview

When a listing or selling agent/broker retains earnest money, you can enter the retained amount so that it is subtracted from the total commission paid at settlement. The net amount of commission then prints on HUD Line 703. Use a blank HUD Line to enter the earnest money amount and a brief description.

If the listing or selling agent/broker is holding the earnest money, use the following steps to record the earnest money.

HUD Lines 201/506

- From the 2010 HUD Settlement Statement, open the HUD line 201 detail screen.
- On the HUD Line 201 detail screen, complete the following:

HUD Amount—Type the earnest money amount.
Carryover—Select the check box.

- Click **OK**. The earnest money prints in both the buyer and seller columns.

200.	Amounts Paid by or in Behalf of Borrower	500.	Reduction in Amount Due to Seller
201.	Deposit or earnest money 2,500.00	501.	Excess deposit (see instructions)
202.	Principal amount of new loan(s) 140,000.00	502.	Settlement charges to seller (line 1400) 8,000.00
203.	Existing loan(s) taken subject to	503.	Existing loan(s) taken subject to
204.		504.	Payoff of first mortgage loan
205.		505.	Payoff of second mortgage loan
206.		506.	Deposit or earnest money 2,500.00
207.		507.	
208.		508.	
209.		509.	

HUD Lines 700-704

- From the 2010 HUD Settlement Statement, open the HUD Line 701 detail screen.
- In the **Fixed/Addl Amt** field, type the earnest money amount as a negative amount.

- Click **OK**. The amount is subtracted from the agent or broker's commission and prints the net commission amount inside the seller's column on HUD Page 2. The correct amount prints on HUD line 703 so an entry for earnest money no longer prints on the disbursement worksheet.

L. Settlement Charges		2/3/10 9:44 AM	File Number: 80688
700.	Total Real Estate Broker Fees based on: \$175,000.00= \$8,000.00		
Division of commission (line 700) as follows:			
701.	\$5,250.00 to AMR Real Estate LLC		
702.	\$5,250.00 + (\$2,500.00) to Breckenridge Associates Real Estate		
703.	Commission paid at settlement \$8,000.00		
704.	\$2500 earnest money retained by SB POC		

HUD Line 704

- From the 2010 HUD Settlement Statement, open the HUD Line 704 detail screen.
- In the **HUD Line Desc** field, type in the earnest money amount and a brief description. Do not enter a Line Amount or Payee Name.

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- Click **OK**.

Notes