MOLINA
MORTGAGE

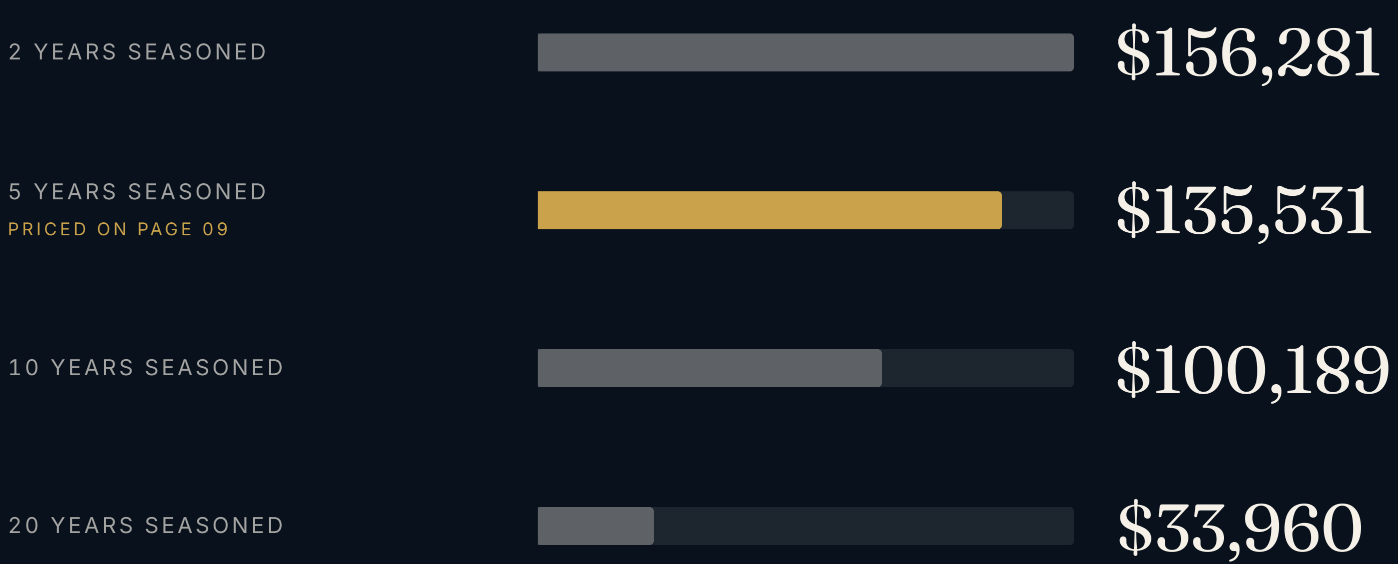
PREPARED FOR ESTATE & TRUST ATTORNEYS

The Instrument and the Loan

AUGUST 2026 · VOL. 1 · NO. 1

What your drafting costs to perform — computed before the deed records, not after.

A $500K NOTE AT 3.125% · WHAT THE IN-PLACE FINANCING IS WORTH



Same note, same spread, same borrower. The advantage is a function of remaining term, and a personal representative who retires the note at face surrenders the difference. Every figure in this report comes from a statute, a millage table, or an amortization schedule. None of it is a forecast.

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Contents

TABLE OF CONTENTS · AUGUST 2026

$161,000
Borrowing capacity lost to the Save Our Homes reset · West Palm Beach

$135,531
Value of a 3.125% note five years seasoned

5.06%
Return above which borrowing beats liquidating

6.46%
Appreciation required to hold rather than sell

Every figure in this report is computed — property taxes from municipal millage tables, insurance from a Florida rate book, payments, cash-to-close and qualifying ratios from the same engine used on live client files. Rates are labeled assumptions, not quotes.

A letter to estate counsel

A LETTER FROM CHRISTOPHER · AUGUST 2026

You have almost certainly had the call. The instrument was drafted correctly, the deed recorded correctly, the administration was clean — and then, somewhere between the third week and the closing table, a lender or a title underwriter said no. The client hears that as a mistake. It usually is not. It is a financing constraint nobody ran while the decision was still reversible.

I am not writing to tell you how to draft. I am writing because a handful of these constraints are arithmetic. Whether a Save Our Homes assessment resets is a legal question; what the reset does to an heir's loan qualification is a calculation. Whether the surviving spouse takes a life estate or elects the undivided one-half interest is your judgment; what each branch costs per month, and which one a lender can finance, is a number. So is the present value of a decedent's 3.125% note that a personal representative is about to retire out of tidiness.

Two distinctions run through everything that follows, and I state them plainly because they are the ones I see collapsed most often. First, transfer and collateral are separate tests: Garn-St Germain restrains acceleration on a transfer into an inter vivos trust in which the borrower is and remains a beneficiary, and it never says revocable — while the Selling Guide, which governs whether a new loan is saleable, does. A trust can pass the first test and fail the second on the same afternoon. Second, Florida protected homestead is not an estate asset. It vests at death outside administration, and the personal representative's power to sell or mortgage generally does not reach it.

What follows puts numbers to six situations you already recognize. Every figure is computed — Palm Beach County millage by municipality, Florida insurance from a rate book, payments from the engine I use on live files — and every rate is a labeled assumption. Where a figure turns on the § 7520 tables or your client's marginal rate, I have said so rather than invent precision.

A word on why these six and not others. Each turns on a date that closes. The § 732.401(2) election runs six months, and paragraph (e) reaches it only on a petition for good cause filed inside that window; the § 121(b)(4) window closes two years from the date of death; the buyout advantage over a partition ends the afternoon the action is filed; and the assessment resets on the January 1 that follows the change of ownership, not on the date of death. Before those dates the arithmetic changes the plan. After them it only explains the bill.

The offer is narrow: run the arithmetic while the decision is still open. A constraint priced at drafting is a planning choice. The same constraint found three weeks before a closing is a crisis with your name on it.

Christopher C. Molina

OWNER & SENIOR LOAN OFFICER · MOLINA MORTGAGE · NMLS #1587312

Four numbers worth the file note

AT A GLANCE · AUGUST 2026

BORROWING CAPACITY LOST TO THE RESET

$161,000

West Palm Beach · same heir, same income

CARRYING COST AFTER RESET

+$1,042/mo

$1.20M homestead · West Palm Beach

VALUE OF A 3.125% NOTE

$135,531

25 yrs left vs. 6.750% assumption

BUYOUT VS. PARTITION, PER HEIR

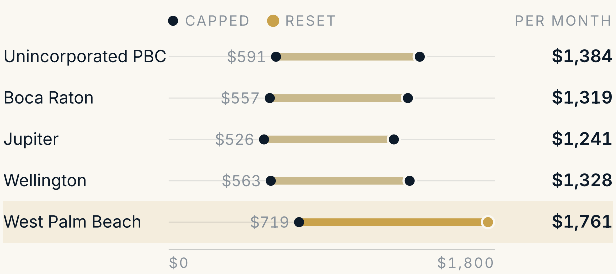
+$23,685

$900K property · 3 heirs per stirpes

WHAT THESE FOUR HAVE IN COMMON

None is a legal question, and none is discoverable from the instrument. They are consequences of how title moves, computed from a millage table, a Florida rate book and an amortization schedule. The reset arrives the January 1 after the change of ownership, so the heir who inherits in March gets one budget year of grace and then a bill nobody modeled. The note decays as it seasons; the buyout advantage ends the day a partition action is filed.

MONTHLY AD VALOREM, CAPPED TO RESET



The same $1.20M West Palm Beach residence used on pages 05 and 06, when the capped assessment resets to just value and the exemption is lost. West Palm Beach travels $1,042 a month — $12,499 a year. Millage year 2025.

CARRY, MEASURED AGAINST THE ORDER THAT GATES IT

STAGE · DAYS ELAPSED	CARRY TO DATE	SHARE
Death → petition filed · 21d	$3,281	**2.0%**
Petition → R. 5.405 order · 74d	$14,844	**8.9%**
Order → funded closing · 36d	$20,469	**12.3%**

Same residence, plus the decedent's note at 3.750%. Nothing funds until the Rule 5.405 order issues, so the clock — not the underwriter — sets the bill. The right column is that cumulative carry as a share of the $166,667 a departing heir nets on page 08. Elapsed days are stated assumptions.

FIVE MORE COMPUTED OUTPUTS FROM THE PAGES AHEAD

5.06%
Portfolio return above which borrowing beats liquidating

6.46%
Annual appreciation required to hold rather than sell

$6,197
Carry, § 732.401(2) buyout · $1.25M

0.79
DSCR if the heir rents rather than occupies

$6,300
Deed stamps, $900K estate transfer

WHAT THIS REPORT WILL NOT DO

It will not tell you how the law of your practice area works, how an election should be made, or what your client's tax position is. Every statute and Selling Guide citation is here so you can check it. No median price, closing count or appreciation forecast appears anywhere; every rate is a labeled assumption, beginning with 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment.

05

Two tests, one file

ELIGIBILITY & TIMING · AUGUST 2026

Transfer risk and collateral eligibility are governed by different authorities, and a trust routinely satisfies one while failing the other. The delay that follows a missed gating item is priced underneath.

THE QUESTION	AUTHORITY	WHAT IT ACTUALLY SAYS
Transfer into the trust without acceleration?	12 U.S.C. § 1701j-3(d)(8)	A transfer into an *inter vivos* trust in which the borrower is and remains a beneficiary and which does not relate to a transfer of rights of occupancy. The statute never says *revocable*.
Does the regulation match?	12 C.F.R. § 191.5(b)(1)(vi)	The regulation reaches a borrower who remains a beneficiary *and occupant* — a condition the statute omits. Three texts, three formulations.
Which liens get the protection?	12 U.S.C. § 1701j-3(d)	Only liens on residential property with **fewer than five dwelling units**. Trust-funding a five-plex or commercial rental gets none of it.
May the trust borrow on a new agency loan?	Fannie Mae B2-2-05	The trust must be *revocable* at closing and established by a borrower who is a primary beneficiary. Occupancy is not part of the test — revocable trusts are eligible on second homes and investment property too. A collateral test, not a transfer test.
What does the lender need?	Fla. Stat. § 736.1017	A certification of trust is what the statute contemplates; lenders and title underwriters may still demand the instrument. The power to encumber must appear on its face.
When may anyone close on the homestead?	Fla. Stat. § 733.608; Fla. Prob. R. 5.405	Protected homestead is not an estate asset and vests at death outside administration, so § 733.612 powers generally do not reach it. Nothing funds until the order issues.

> WHAT THE STATUTE DOES NOT DO
>
> Garn-St Germain restrains acceleration. It does not entitle an heir to assume the loan on new terms, release the estate from liability, or compel a servicer to modify. The Rule 5.405 order, not the underwriter, sets the closing date — and at $4,756 a month on the example below, three weeks of it costs $3,567.

WHAT THE PROPERTY COSTS THE ESTATE EACH MONTH IT SITS

MUNICIPALITY	TAX	INSURANCE	NOTE P&I	PER MONTH	180 DAYS
Palm Beach County (uninc.)	$1,384	$851	$2,144	**$4,379**	$26,276
Boca Raton	$1,319	$851	$2,144	**$4,314**	$25,883
Jupiter	$1,241	$851	$2,144	**$4,237**	$25,419
Wellington	$1,328	$851	$2,144	**$4,324**	$25,943
West Palm Beach	$1,761	$851	$2,144	**$4,756**	$28,535

Assumptions: a $1.20M residence reassessed at just value, no homestead exemption; the decedent's note at 3.750%, $385K outstanding, 22 years left; certified Palm Beach County millage, year 2025. Statutory descriptions are for verification, not legal conclusions.

The reset is a borrowing event

ANALYSIS · I · AUGUST 2026

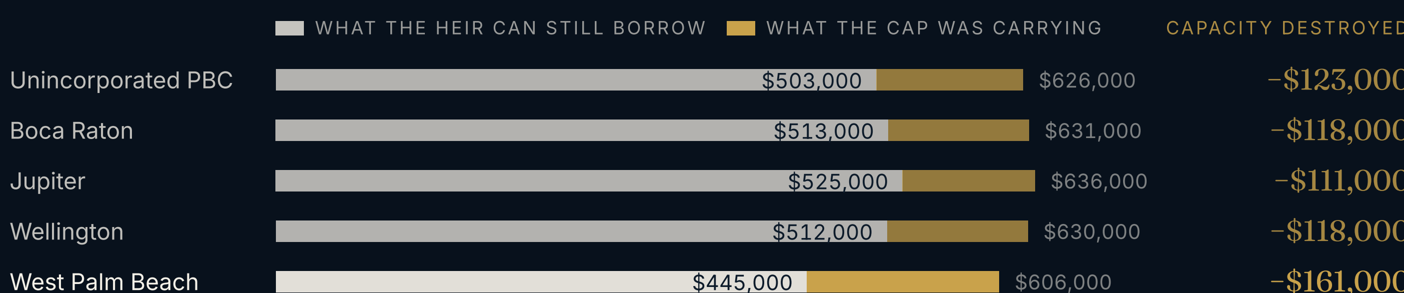
Under Fla. Stat. § 193.155(3) the assessment does *not* reset on a transfer to a surviving spouse who continues to reside. For every other heir it does: reassessment at just value the January 1 after the change of ownership, and the exemption goes with the decedent. Vary only the tax basis, hold the heir and the income constant, and the delta stops being a cash-flow footnote — it becomes a reduction in what that heir is able to borrow at all.

MUNICIPALITY	CAPPED BASIS	RESET + HOMESTEAD	RESET, NO HOMESTEAD	ANNUAL INCREASE
Palm Beach County (uninc.)	$591/mo	$1,331/mo	$1,384/mo	**$9,512**
Boca Raton	$557/mo	$1,268/mo	$1,319/mo	**$9,137**
Jupiter	$526/mo	$1,195/mo	$1,241/mo	**$8,589**
Wellington	$563/mo	$1,278/mo	$1,328/mo	**$9,190**
West Palm Beach	$719/mo	$1,687/mo	$1,761/mo	**$12,499**

> THE EXEMPTION IS NOT THE POINT — THE CAP IS
>
> Re-filing homestead recovers only $50,000 of taxable value — the gap between the middle and right columns. What carried the value was the Save Our Homes differential accrued over the decedent's hold, and it is not portable to a devisee; Form DR-501T moves a benefit between a taxpayer's own homesteads. Nor does the bill arrive on the date of death: the parcel is assessed as of January 1, so a March death buys the balance of that tax year at the capped basis — about $10,416 of grace at the West Palm Beach delta — and then $12,499 a year, every year, thereafter.

EXHIBIT · CAPACITY DESTROYED

Same heir, same income — what the reset removes from the loan



An heir earning $14,000 a month with $800 of other obligations supports $5,500 of housing at a 45% debt-to-income ratio. Nothing about that heir changes across these five rows; only the millage and the basis do. The reset consumes up to $161,000 of the capacity before anyone opens a loan file. Buyout, refinance, or "the kids keep the house" — this number decides whether the plan is performable, and it is knowable at drafting.

Assumptions: a $1.20M residence; the decedent's capped assessed value at 45% of just value under the 3%-or-CPI cap of Fla. Const. art. VII, § 4(d) — substitute the parcel's actual assessed value. Qualification at 45% DTI on 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment. Rented instead: at $6,800 rent, 70% LTV, 7.500% investor assumption, DSCR is 0.79 (0.75 vacancy-adjusted) — short of 1.25.

Pricing the six-month election

ANALYSIS · II · AUGUST 2026

The § 732.401(2) election must be made within six months of death. Paragraph (d) forecloses extension except as paragraph (e) allows — a petition for good cause, filed inside the same six months — so in practice the date governs either way. It is treated as a valuation and tax decision. It is also a financeability decision: a life estate with vested remainders cannot be mortgaged or sold without the joinder of every remainderman, while an undivided one-half interest as tenant in common can be refinanced, or bought out by the spouse who takes it.

APPRAISED VALUE	BRANCH A · LIFE ESTATE CARRY	BRANCH B · BUYOUT LOAN	LTV	BRANCH B · PITIA	CASH TO CLOSE	INCOME TO QUALIFY
$850,000	$1,091/mo	$425,000	50%	**$4,190/mo**	$18,489	$111,746/yr
$1,250,000	$1,639/mo	$625,000	50%	**$6,197/mo**	$26,117	$165,252/yr
$1,750,000	$2,324/mo	$875,000	50%	**$8,705/mo**	$35,652	$232,135/yr

WHAT BRANCH B'S CASH TO CLOSE IS MADE OF

LINE	ON $1.25M
Deed doc stamps · $0.70/$100 (§ 201.02)	$4,375
Note doc stamps · $0.35/$100 (§ 201.08)	$2,188
Nonrecurring intangible · 2 mills (§ 199.133)	$1,250
Lender & third-party costs	$11,875
Escrow reserves & prepaids	$6,430

IF THE WHOLE PARCEL IS REASSESSED

VALUE	BLENDED	FULL RESET
$850K	$4,190	$4,533
$1.25M	$6,197	$6,701
$1.75M	$8,705	$9,411

The spouse's own half should retain its assessment under § 193.155(3); the acquired one-half is a change of ownership as to that share. Confirm the treatment with the property appraiser before you rely on the left column.

READ BACKWARDS: WHAT THE SPOUSE'S INCOME LETS BRANCH B REACH

SPOUSE'S QUALIFYING INCOME	HOUSING BUDGET	BUYOUT LOAN AT 50% LTV	BRANCH B PITIA	VALUE IT REACHES
$90,000/yr	$3,375/mo	$342,500	$3,363/mo	**$685,000**
$140,000/yr	$5,250/mo	$530,000	$5,244/mo	**$1,060,000**
$190,000/yr	$7,125/mo	$717,500	$7,125/mo	**$1,435,000**

> BRANCH A IS NOT THE FREE BRANCH
>
> Branch A looks free — no loan, no closing, $1,639 a month on a $1.25M home. It is not free: the life estate is a wasting asset the spouse cannot borrow against, cannot sell without unanimous joinder of the vested remaindermen, and cannot use to fund her care. Branch B costs $6,197 a month and requires roughly $165,252 of qualifying income, but it produces an interest a lender will lend on. The actuarial split between life tenant and remaindermen turns on the § 7520 rate *for the month of valuation* and the Table S factors; we do not reproduce those — your valuation professional supplies them, and the election is yours.

Assumptions: West Palm Beach millage, year 2025; the spouse's half assessed at 45% of just value; buyout at 50% LTV against full appraised value; 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment; income to qualify at a 45% DTI with no other obligations. Homestead descent and devise remains governed by Fla. Const. art. X, § 4(c) however title is held, including in trust. Why the date of death is the first thing we ask for, and what a § 732.7025 waiver does and does not reach: page 13.

Buyout versus partition

ANALYSIS · III · AUGUST 2026

One $900K residence, 3 heirs per stirpes, $400K owed, one heir in possession. Three paths, three sets of net proceeds to the heirs leaving; the gold rule marks the one we would run.

PATH	LOAN	LTV	RATE	PITIA	PER DEPARTING HEIR
1 · Limited cash-out (B2-1.3-02) Written agreement in file; inheritance waives the 12-month joint-ownership requirement	$733,333	81.5%	6.750%	$6,728	**$166,667**
2 · Cash-out (B2-1.3-03) Mis-structured: no written agreement documenting terms and disposition of proceeds	$720,000	80.0%	7.250%	$6,797	**$160,000**
3 · Partition sale Brokerage, deed stamps, settlement, and 6 months of carry	—	—	—	—	**$142,982**

WHERE THE PARTITION PROCEEDS GO

LINE	AMOUNT
Gross sale price	$900,000
Brokerage at 5.5%	−$49,500
Deed stamps, settlement & title	−$9,800
Carry, 6 months on the reset basis	−$11,754
Payoff of the decedent's note	−$400,000
Net to the estate	**$428,946**

WHAT THE OCCUPYING HEIR HAS TO SHOW

Path 1 needs roughly $179,404 of qualifying income at a 45% ratio, and above 80% LTV the loan carries mortgage insurance, inside the PITIA shown. Path 3 needs none of that, which is why partition is the path of least resistance and the most expensive one — $23,685 less to each departing heir.

THE SAME FACTS WITH A LARGER OR SMALLER CLASS OF TAKERS

HEIRS PER STIRPES	EACH DEPARTING HEIR	BUYOUT LOAN	LTV	PITIA	INCOME TO QUALIFY
2 heirs	$250,000	$650,000	72.2%	$6,102/mo	**$162,709/yr**
3 heirs	$166,667	$733,333	81.5%	$6,728/mo	**$179,404/yr**
4 heirs	$125,000	$775,000	86.1%	$7,048/mo	**$187,946/yr**
5 heirs	$100,000	$800,000	88.9%	$7,214/mo	**$192,386/yr**

THE DRAFTING INSTRUCTION

At 81.5% the buyout does not fit the 80% cash-out ceiling: that execution comes up $13,333 short and each departing heir absorbs $6,667 of it. The limited cash-out execution reaches, and the only thing separating the two is a written agreement signed by all parties stating the terms of the transfer and the disposition of the proceeds, executed before closing and consistent with the settlement statement.

Two marks, never on the same table. *Gold rule*, top: the execution we would run. *Shading*, heirs table: rows fitting the 80% cash-out ceiling, where either execution is available. Only the number of takers changes; inheritance waives the 12-month joint-ownership requirement and the six-month title seasoning of B2-1.3-03. Assumptions: 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment; cash-out 0.500% above it; brokerage 5.5%, 6 months of marketing. Eligibility is underwriter-specific.

The note is an asset

ANALYSIS · IV · AUGUST 2026

A $500K note at 3.125%, thirty-year amortization. Discount the remaining payments at today's assumption rate over the same remaining term, and the gap against the payoff balance is the value of the in-place financing.

SEASONING	BALANCE	TERM LEFT	P&I AT NOTE RATE	P&I AT 6.750%	ADVANTAGE	VALUE OF THE FINANCING
2 yrs	$479,230	28 yrs	$2,142	$3,178	$1,036/mo	**$156,281**
5 yrs	$445,539	25 yrs	$2,142	$3,078	$936/mo	**$135,531**
10 yrs	$381,880	20 yrs	$2,142	$2,904	$762/mo	**$100,189**
20 yrs	$220,496	10 yrs	$2,142	$2,532	$390/mo	**$33,960**

EXHIBIT · THE DECAY CURVE

What the in-place financing is worth, solved at every year of seasoning

The curve, not the rate, is the argument: same note, same spread, same borrower, and 75% of the asset gone to the passage of time alone. Read the five-year point three ways. A $445,539 payoff balance stands against a $310,008 present value, so retiring the note at face surrenders $135,531 the market has already discounted; as cash flow that is $936 a month; from the buy side the same $936 supports $135,531 of additional loan. Keep-versus-payoff belongs in the file in the first month.

WHY THE HEIR WHO CANNOT QUALIFY MAY KEEP IT

Under the CFPB's July 2014 interpretive rule, a successor in interest who already holds title by devise or descent and takes on the existing debt is not entering an "assumption" under Reg Z § 1026.20(b): § 1026.43 ability-to-repay does not apply and there is no income underwriting. It is narrow — no release of the estate, no compelled modification — and Reg X § 1024.31 confirmed-successor status is the servicing gateway.

IF THE HEIR REFINANCES INSTEAD

LINE	AMOUNT
New P&I on $445,539 at 6.750%	$2,890/mo
Increase over the decedent's payment	+$748/mo
Value of the financing surrendered	$135,531
Note doc stamps + intangible	$2,451
Lender & third-party costs	$9,183
Cost of the decision	**$147,165**

Assumptions: 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment. Present value is solved as the loan whose level payment at the assumption rate equals the decedent's payment over the identical remaining term. The discount rate is an assumption. Fifteen-year seasoning is omitted from the table and read off the curve.

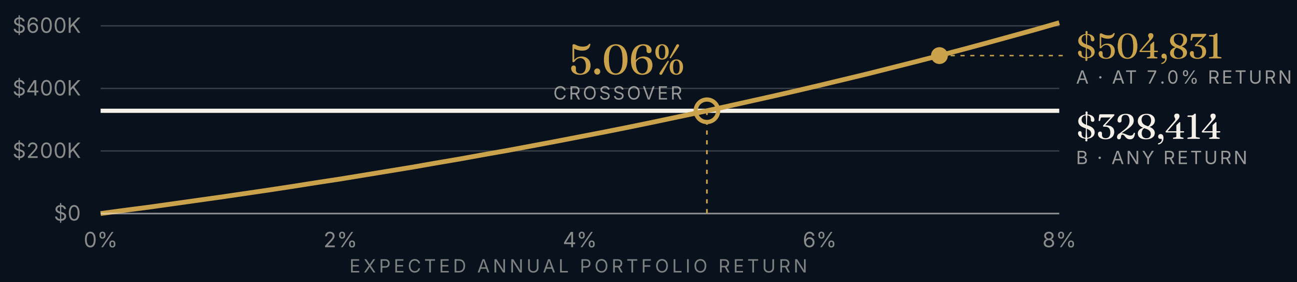
Where the liquidity comes from

ANALYSIS · V · AUGUST 2026

The estate needs $500,000 for administration expenses, taxes or an elective share, and a fiduciary under the prudent investor rule (Fla. Stat. §§ 518.11, 736.0901) must justify which asset pays for it. Two of the three sources turn on a single assumption, and they cross.

EXHIBIT · THE CROSSOVER

Two costs for the same $500,000, and where they cross



Above 5.06% expected return, borrowing is the cheaper source of the same $500,000; below it, liquidating is. Line B is flat because its cost — $315,664 of interest, $2,750 of Florida note taxes and $10,000 of lender costs — does not move with the market, while line A is the beneficiaries' foregone compounding, which does.

OPTION	10-YEAR COST	COMPOSITION
A · Liquidate marketable assets	**$504,831**	Foregone compounding on $500,000 at the stated 7.0% assumption
B · Mortgage the real property	**$328,414**	$315,664 interest + $2,750 Florida note taxes + $10,000 lender costs
C · Sell the property	**−$858,800**	$102,700 transaction costs + $550,266 foregone property growth, less growth on $1,497,300 of proceeds. Negative because the assumed portfolio return exceeds assumed appreciation

OPTION B IN DETAIL

LINE	AMOUNT
Loan amount · 31.3% LTV on $1.60M	$500,000
PITIA, reset non-homestead basis	$6,896/mo
Interest / principal retired, 10 yrs	$315,664 / $73,495
Note doc stamps + intangible	$2,750
Cash to close	**$23,709**

TWO THINGS THE EXHIBIT DOES NOT SHOW

Option C looks cheapest only because assumed return exceeds assumed appreciation by 4.0 points; narrow that spread and the ranking inverts. And nothing closes until title is vested out of the estate — on protected homestead the § 733.612 power generally will not reach it.

Assumptions: portfolio return 7.0%/yr compounded monthly; appreciation 3.0%/yr; 6.750% 30-year fixed, an illustrative assumption as of August 1, 2026 — not a quote, lock, or commitment; brokerage 5.5%; $1.60M value; 10-year horizon. Illustrative rates, not forecasts.

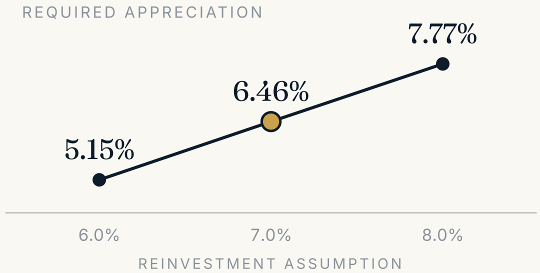
The two-year window, priced

ANALYSIS · VI · AUGUST 2026

ANNUAL APPRECIATION HOLDING MUST DELIVER

6.46%

Every year, for ten years. Below that rate, selling inside the § 121(b)(4) two-year window and reinvesting leaves the surviving spouse ahead. It is a required rate, not a forecast.



Each added point of assumed reinvestment return raises the required appreciation by **1.31** points. The break-even is a statement about the alternative, not about the house.

An unremarried surviving spouse meeting the ownership and use tests may use the $500,000 exclusion under IRC § 121(b)(4) on a sale within two years of death. Florida is a separate-property state, so absent a § 736.1501 community property trust the step-up reaches only the decedent's half.

	A · SELL WITHIN TWO YEARS	B · HOLD AND RENT 10 YEARS
Adjusted basis after half step-up	$900,000	$900,000
Sale price at the horizon	$1,500,000	$2,015,875
Selling costs & deed stamps	−$96,500	−$128,484
Gain realized	$503,500	$987,390
§ 121 exclusion applied	−$500,000	−$0
Tax at the assumed 23.8% rate	−$833	−$234,999
Net rent reinvested over the horizon	—	$601,533
Position at year 10	**$2,818,886**	**$2,253,924**

WHY THE WINDOW CANNOT BE RECOVERED

The window is widely known and almost never priced, and the Save Our Homes reset that raises the cost of holding lands in the same season. State the 6.46% as a required rate, hand the client the sensitivity above, and let them and their tax counsel decide. Everything else here can be revisited; two years from the date of death cannot.

WHAT HOLDING COSTS EACH MONTH

LINE	MONTHLY
Market rent (assumption)	$7,500
Tax, reset non-homestead basis	−$2,201
DP-3 landlord insurance	−$1,224
Maintenance & vacancy at 8% of rent	−$600
Net to the spouse	**$3,475**

Assumptions: 23.8% combined federal capital gain and net investment income tax — your client's actual rate belongs to their tax counsel; 7.0% reinvestment; 5.5% brokerage; $300,000 original basis, tenancy by the entireties, half step-up. Scenario B assumes conversion to rental and failure of the § 121 use test at sale; § 1250 recapture is *not* modeled. Eligibility conditions: page 13.

When to send it, and what to send

HOW WE WORK TOGETHER · AUGUST 2026

Six moments in an estate or trust file where a financing constraint is still cheap to fix. Each takes a phone call and a few facts, and produces a number you can put in a memo. The right-hand column is the price of the same question asked after the moment has passed — every figure computed on the page named beside it.

TRIGGER IN YOUR FILE	WHAT WE COMPUTE	WHAT WE NEED FROM YOU	COST OF ASKING LATER
Drafting a trust that will hold Florida real property	Whether the trust as drafted is eligible collateral	The instrument or a § 736.1017 certification	**$0** vs. $8,400 of deed stamps later · p13
Opening an administration with real property	Monthly carry, and what the Rule 5.405 order gates	Address, value, and the payoff on any existing note	**$4,756/mo** carry while it sits · p05
The § 732.401(2) six-month clock is running	Carry per branch, loan size, LTV, cash to close	Appraised value and the spouse's income	**$6,197/mo** Branch B on $1.25M · p07
Co-heirs disagree and partition is discussed	Per-heir net: buyout against partition sale	Value, liens, and the number and shares of heirs	**−$23,685** per departing heir · p08
A personal representative proposes to pay off the note	Present value of the note, and the successor path	Note rate, balance, term, and how title passed	**$135,531** surrendered at face · p09
The estate needs cash and must choose a source	Borrowing against liquidating, and the crossover	Amount needed, property value and vesting	**$176,417** spread at 7.0% return · p10

What a lender asks for

The instrument or a § 736.1017 certification showing the trustee's power to borrow and encumber; the trustee's signing authority; confirmation the trust is revocable at closing; and, on homestead, the joinder of a spouse who may hold no record title. At drafting that list costs a phone call. Against the $4,756-a-month carry on page 05, three weeks of finding it out late costs $3,567.

Send it at drafting. Week three is the expensive version.

What we will not tell you

Whether an instrument is enforceable, how the election should be made, or what your client's tax position is. We compute the financing consequence and cite the statute or Selling Guide provision it rests on, so you can verify it and exercise your own judgment. No median price, closing count or appreciation forecast appears on any of the eleven pages before this one.

Trust eligibility is investor- and underwriter-specific. No broker can promise agency approval.

THE STANDING OFFER

Send the fact pattern before the instrument is signed or the deed is recorded, and you will get the arithmetic back the same day — carrying cost, loan capacity, cash to close with Florida documentary stamp and intangible tax, and a plain statement of what is not financeable and why. No file has to be opened and nothing is sold.

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How every figure was derived

METHODOLOGY & CONTACT · AUGUST 2026

PROPERTY TAXES	Projected by municipality from certified Palm Beach County millage (year 2025), school and non-school taxable bases computed separately — the base exemption reaches every levy, the additional exemption non-school levies only. The decedent's capped basis is modeled at a stated share of just value. Reset behavior follows Fla. Stat. § 193.155, including the surviving-spouse continuation in subsection (3).
INSURANCE	From a Florida rate book by county and policy type — HO-3 owner-occupied, DP-3 landlord — with a Citizens floor. A bound binder will differ.
PAYMENTS & CAPACITY	Full PITIA — principal, interest, taxes, hazard and mortgage insurance where the LTV requires it — from the engine used on live client files. Loan capacity is solved by search on that PITIA: the largest loan whose all-in payment fits the stated qualifying ratio. Present value of an existing note is solved the same way.
FLORIDA TRANSACTION TAXES	Deed documentary stamps at $0.70 per $100 of consideration (Fla. Stat. § 201.02), on each $100 or fraction. Note documentary stamps at $0.35 per $100 (§ 201.08) — the $2,450 cap does not apply to notes secured by Florida real property. Nonrecurring intangible tax at 2 mills (§ 199.133). Consideration includes any mortgage whether or not assumed, so a family deed on encumbered property is not a no-tax deed.
PROJECTIONS & RATES	Portfolio growth and reinvested rent compound monthly at the rate stated on the page (7.0% unless noted); property appreciation annually at 3.0%. Rate assumptions set at publication: 6.750% conventional 30-year fixed and 7.500% investor DSCR as of August 1, 2026, cash-out 0.500% higher for loan-level price adjustments. Not quotes, not locks, not forecasts. No market data appears in this report.
TIMING & WAIVERS	Carried here from pages 04, 07 and 11 so each assumptions rule stays at four lines. *§ 732.401(2):* filed within six months of death. Paragraph (d) bars extension except as paragraph (e) provides — a petition for good cause filed within that six months — so a Branch B loan is cleared to close against the six-month date either way, which is why we ask for it first. A § 732.7025 deed waiver reaches the devise restriction only; it does not excuse spousal joinder to sell or encumber. *§ 121(b)(4):* the spouse must be unremarried at sale, the sale must occur within two years of death, and the ownership and use tests must have been met immediately before death. *The clock on page 04:* the 21/74/36-day intervals are stated assumptions.
NOT COMPUTED HERE	Actuarial values under the IRC § 7520 tables, which turn on the rate for the month of valuation and on Table S factors; your client's marginal rate; § 1250 recapture; and any conclusion about enforceability, devise or elective share.

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