

Closing Times

Colorado Association of Certified Closers, Inc.

Newsletter

October 2007

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Editors Corner

We would like to extend a thank you to our newsletter readers who have written to us in response to the article about the FHA/VA loan fees. In fact while compiling the articles for the October newsletter, outdated information was inserted.

The FHA/VA article is hereby corrected with the following information:

FHA loans: Borrowers can pay customary and reasonable fees necessary to close the loan except for the tax service fee and loan origination fees that exceeds one percent (203b loans).

VA Loans: Borrowers can pay a maximum of a one percent flat fee charged by the lender, plus reasonable and customary amounts for any or all of the "itemized fees and charges" designated by VA, plus reasonable discount points.

The following is a list of fees that the VA deems reasonable and customary:

Appraisal, Recordings, Credit report, Prepaid items, Hazard Insurance, Survey, Flood Determination, Title Insurance and Exam, Mail, Courier(refinance only), MERS fees, VA Funding fee(if applicable).

The lenders one percent flat fee is intended to cover lender's fee and third party charges which are not reimbursable as "itemized fees and charges".

Attached are the FHA letter and a VA pamphlet that gives you more detailed information. The websites are valuable tools for the latest information. Visit their site at www.hud.gov or www.va.gov