

## PBM RESPA 2010 Wholesale Questions and Answers

1	Q. Are we required to include the per diem interest late fees on REO's on the GFE? And if so, what block of the GFE should this fee appear? <b>A. No, the per diem interest late fees related to REO's are not required to appear on the GFE. This fee will only appear on the HUD-1.</b>
2	Q. Is the Home Warranty Fee required to be reflected at time of disclosing the GFE? <b>A. No, the Home Warranty fee only needs to be reflected on the Final HUD-1.</b>
3	Q. If we have an application and credit, but the borrower does not find a property until 2010, is the new GFE required? <b>A. Yes, if the borrower entered into a contract in 2010 now you have an application under RESPA and the new GFE is required.</b>
4	Q. Where do we include the cost for title endorsements on the GFE? <b>A. The cost for the standard title endorsements are included in the cost for the Lender's policy. Any additional title endorsements for unlocated easements or CC&amp;R's will be treated as a change of circumstance.</b>
5	Q. If the broker does not provide his own Settlement Service Provider (SSP) List to the borrower, should the broker provide PBM's? <b>A. No, the broker is required to provide his own SSP list. If the broker does not have his own list, then he can use PBM's, but the providers and fees must correspond to what was disclosed on the initial GFE.</b>
6	Q. Are we required to disclose upfront the cost for a Survey, Termite, Well or Septic Inspection? <b>A. No, this information may not be available when the initial GFE is prepared. As we become aware that one or more of these inspections are required, the cost for the inspection should be added to fees. (Cost's to be provided) This is considered a change of circumstance and a revised GFE must be printed and mailed to the borrower within 3 days of this change.</b>
7	Q. If the broker pays for the following items upfront and wants to be reimbursed for them at closing, what block of the GFE should they appear? Subordination, VOD/VOD, HOA Cert, Credit Report <b>A. The Broker can only be reimbursed at closing for the Appraisal or Credit Report Fee when paid upfront on the borrower's behalf. Both of these fees should be reflected in Block 3 of the GFE. All other fees the Broker pays out of pocket should be included in their processing fee that would be reflected in Block 1 at time of Submission.</b>
8	Q. In Block 9 of the GFE, should this section denote that the FHA Monthly Mortgage Insurance (MMI) will be part of the initial impound deposit and include the dollar amount of the monthly payment in the total amount to set up the escrow account? <b>A. No, we do not collect for the FHA MMI at funding to establish the impound account so it should not be referenced in this block. Once the borrower makes their first payment, the MMI included will be applied to the impound account on a go forward basis.</b>
9	Q. If a change of circumstance occurs, which requires a revised GFE to be issued to the borrower, how much time do we have to send this to the borrower? <b>A. The revised GFE must be mailed to the borrower within 3 days of the change.</b>
10	Q. If the GFE expires, what are we required to do? <b>A. If the borrower has any correspondence with the broker and provided documentation or information on the loan after the initial GFE was issued, this would be viewed as the borrower wants to proceed with the loan and the fees initially disclosed can not be modified unless there is a valid change of circumstance.</b>
11	Q. Should only the Brokers GFE be uploaded at time of Submission? <b>A. No, the GFE, Mortgage Broker Fee Agreement and Settlement Service Provider (SSP) List can all be uploaded.</b>