

Clear, Fair, Transparent Pricing Lender-Paid Single Premiums and TRID

How is the Lender-Paid Single MI premium disclosed on the Loan Estimate (LE) and Closing Disclosure (CD)? The Lender-Paid Single MI premium that is included in the interest rate of the borrower's loan is disclosed in the Closing Cost Details section of the CD.

Which tolerance applies? TRID tolerances do not apply to lender-paid MI premiums because the borrower pays no MI premium at consummation.

What if the cost changes? The lender is not required to immediately provide a new disclosure when the cost changes unless the interest rate also changes; however, the next time the lender issues a CD, it must reflect the updated costs.

See reverse for a sample of Lender-Paid Single MI disclosure.

For additional information go to consumerfinance.gov/regulatory-implementation/tila-respa/ or consult your regulatory counsel.

MGIC Lender-Paid Single MI Premiums

Sample of Lender-Paid Single MI disclosure

MGIC's LPMI single premiums must be disclosed on page 2 of the CD.

In this example, the LPMI single premium is disclosed in the Loan Costs, Services Borrower Did Not Shop For section.

Services Borrower Did Not Shop For section

reflects Lender-Paid Single premium. It must be disclosed as Paid by Others and must include the person (entity) who will receive payment.

This information and illustrations provided here are for informational purposes only and do not constitute legal advice. Lenders should refer to the TILA/RESPA regulations and consult with counsel for compliance with all applicable TRID requirements.

Closing Cost Details					Closing Disclosure (pg. 2)	
Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others	
	At Closing	Before Closing	At Closing	Before Closing		
A. Origination Charges	\$1,654.00					
01 Application Fee	\$300.00					
02 Underwriting Fee	\$1,354.00					
03						
04						
05						
06						
07						
B. Services Borrower Did Not Shop For	\$236.55					
01 Appraisal Fee	to John Smith Appraisers Inc.		\$29.80		\$500.00	
02 Credit Report Fee	to Information Inc.					
03 Flood Determination Fee	to Info Co.	\$20.00				
04 Flood Monitoring Fee	to Info Co.	\$31.75				
05 Mortgage Insurance	to MGIC				\$2,740.00	
06 Tax Monitoring Fee	to Info Co.	\$75.00				
07 Tax Status Research Fee	to Info Co.	\$80.00				
08						
09						
10						
C. Services Borrower Did Shop For	\$2,655.50					
01 Pest Inspection Fee	to Pests Co.	\$120.50				
02 Survey Fee	to Surveys Co.	\$85.00				
03 Title - Insurance Binder	to Epsilon Title Co.	\$650.00				
04 Title - Lender's Title Insurance	to Epsilon Title Co.	\$500.00				
05 Title - Settlement Agent Fee	to Epsilon Title Co.	\$500.00				
06 Title - Title Search	to Epsilon Title Co.	\$800.00				
07						
08						
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,546.05					
Loan Costs Subtotals (A + B + C)	\$4,516.25	\$29.80				
Other Costs						
E. Taxes and Other Government Fees	\$85.00					
01 Recording Fees	Deed: \$40.00 Mortgage: \$45.00	\$85.00				
02 Transfer Tax	to Any State		\$950.00			
F. Prepays	\$741.00					
01 Homeowner's Insurance Premium (6 mo.) to Insurance Co.		\$402.00				
02 Mortgage Insurance Premium (mo.)						
03 Prepaid Interest (\$22.60 per day from 4/15/13 to 5/1/13)		\$339.00				
04 Property Taxes (0 mo.) to Any County USA						
05						
G. Initial Escrow Payment at Closing	\$434.00					
01 Homeowner's Insurance \$67.00 per month for 2 mo.		\$134.00				
02 Mortgage Insurance per month for mo.						
03 Property Taxes \$200.00 per month for 2 mo.		\$400.00				
04						
05						
06						
07						
08 Aggregate Adjustment						
H. Other	\$2,400.00					
01 HOA Capital Contribution	to HOA Acre Inc.	\$500.00				
02 HOA Processing Fee	to HOA Acre Inc.	\$150.00				
03 Home Inspection Fee	to Engineers Inc.	\$750.00		\$750.00		
04 Home Warranty Fee	to XYZ Warranty Inc.		\$450.00			
05 Real Estate Commission	to Alpha Real Estate Broker		\$5,700.00			
06 Real Estate Commission	to Omega Real Estate Broker		\$5,700.00			
07 Title - Owner's Title Insurance (optional)	to Epsilon Title Co.	\$1,000.00				
08						
I. TOTAL OTHER COSTS (Borrower-Paid)	\$3,660.00					
Other Costs Subtotals (E + F + G + H)	\$3,660.00					

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