



AzIDA **Home+Plus** Lender Training

Program Fees and Lender Compensation

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AzIDA HOME+PLUS

Program Fees and Lender Compensation

There are five related fees directly associated with the HOME+PLUS program.

- **Compliance Review Fee**
- Master Servicer Fee
- 2nd lien DOT recording fee
- Lender Compensation
- Extension Fee - (if applicable)

Compliance Review Fee

- **The compliance review fee of \$225 payable to Hilltop Securities (HTS).**
- Effective 9/1/2021 the Compliance Review fee must be paid via HilltopPay.
- Hilltop Securities (ACH) Payment Program (HilltopPay) is a secure method to process compliance fee payments easily, efficiently, and at no cost to our participating Lender Partners by identify fees due and providing instant access to authorize payments.
- Benefits to the lender from HilltopPay are:
 - Eliminates costly wire payment processing fees
 - Eliminates duplicate payments resulting in refunds
 - Speeds up approval of loan compliance files
 - Provides accurate account identification
 - Uses same Lender Portal (Lender Online) user credentials



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Master Servicer Fees (US Bank)

Tax Service Fee \$84.00 *

Funding Fee \$400.00

Please list fees on LE/CD according to the US Bank Lender Bulletin L-2017-11, dated March 7, 2017.

The master servicer fees are netted from the Lenders Proceeds upon purchase of the mortgage by the master servicer. Since this is a secondary market transaction, these fees should NOT be made payable to US Bank on the LE/CD. The Lender can charge these fees as their own and disclose these fees as their own in order to offset the charge upon purchase.

- * Effective with new reservations on or after July 17, 2022, the tax service fee will increase from \$80.00 to \$84.00.



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HOME+PLUS 2nd Lien Recording Fee

- **The County Recording Fee will vary by County**
- The only fee allowed on the AzIDA HOME+PLUS DPA 2nd lien is the recording fee for the Deed of Trust. A Title Insurance Policy, Escrow Fee, Endorsement Fee, Protection Letter, or any other fee is not necessary nor allowed in association with the HOME+PLUS DPA 2nd lien.

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Lender Compensation

- SRP

- The lender receives a Service Release Premium (“SRP”) of 2.50% on ALL HOME Plus transactions, to include FHA, Fannie Mae HFA Preferred, Freddie Mac HFA Advantage, VA and USDA.
 - The SRP is paid upon purchase by the master servicer, less any applicable extension charges.

- Origination Fee

- The Lender can charge an origination fee. AzIDA does not impose a cap on the Lender’s origination fees. The total Lender compensation, which includes the SRP and the Lenders origination fee will be determined by each Lender. It is the Lender’s responsibility to ensure compliance to Agency / CFPB guidelines in relationship to any charges and fees. Discount points are not allowed.

- Reasonable and Customary Charges

- Lender Fees are fees paid to the Lender for services rendered (i.e. Processing Fees, Underwriting Fees, Administrative or Administration Fees and Doc Prep Fees). AzIDA does not impose a cap on the Lender’s reasonable and customary charges. It is the Lender’s responsibility to ensure compliance to Agency / CFPB guidelines in relationship to any charges and fees.



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Extension Fee

- Once the loan is reserved, the lender has **60-days** for the transaction to close, fund, clear compliance review, and be purchased by the master servicer. Exceeding this total **60-day** timeline will result in an extension fee charged against the lenders SRP.
- We offer a 7-day, 15-day, 22-day and 30-day extension (90-days total time) to the lender for complete delivery. We are not obligated to exceed the 90-day total time period for purchase. Any transaction that exceeds the 90-day period does not have to be honored by AzIDA or the master servicer.
- The current HOME+PLUS extension fee schedule is as follows:

Rate Lock Extension	Extension Fees
7 days	0.06250 Points
15 days	0.12500 Points
22 days	0.18750 Points
30 days	0.25000 Points

QM – ATR – HPML

- Extensions of credit made pursuant to a program administered by a Housing Finance Agency (defined under 24 CF 266.5) is exempt from the QM/ATR rules. The Arizona Industrial Development Authority (**HOME+PLUS** program) meets the definition of a Housing Finance Agency under 24 CFR 266.5.

This information is not intended to provide legal advice. Lenders should consult their own legal counsel to ensure compliance with these rules. For further clarity please reference USB Lender Bulletin 2014-01 USB Lender Bulletin L-2016-019.

- **Higher-Priced Mortgage Loans (HPML)** – our master servicer US Bank, **will** purchase Higher-Priced mortgage loans (HPML).
- **High-Cost Loans** - our master servicer US Bank, **will NOT** purchase High-Cost loans.
- **Ability to Repay (ATR) / Qualified Mortgage (QM)** – mortgage loans that are originated and closed by Lenders participating in a program administered by an HFA, Housing Finance Agency like **HOME+PLUS**, are exempt from some ATR/QM requirements.
- **If you wish to confirm directly with US Bank to validate their position, please contact UWCustomerCare@usbank.com**

QM – ATR – HPML

- While HFA loans are exempt from the 3% QM test, they are NOT exempt from the HOEPA requirements as they relate to High Cost and the TILA requirements for higher-priced mortgage loans.
- It is the lender's responsibility to ensure that any higher priced loans followed HOEPA & TILA regulations and comply with HOEPA (5%) and State (5%) limits.
 - The AzIDA HOME Plus program does not restrict or set limits on lender's fees, including an origination fee.
 - How much a lender chooses to charge via an origination fee could have an impact on the 5% thresholds noted above.



END