



Easy Notes

APR Fees

Annual Percentage Rate (APR) Government Definition:

A measure of the cost of credit, expressed as a yearly rate. It includes interest as well as other charges (closing Costs). Because all lenders are *suppose* follow the same rules to ensure the accuracy of the annual percentage rate, it provides consumers with a good basis for comparing the cost of loans, including mortgage plans.

Fees Typically Included In Calculating APR	APR Fee (x)
Lender Origination Fee	x
Loan Discount Fee	x
Appraisal Fee (Debated, if paid outside closing, but we include)	x
Credit Report Fee (Some say not included, but we include)	x
Home Inspection Fee	
Broker's Origination Fee	x
Broker Loan Discount Fee	x
Tax Service Fee	x
Flood Determination Fee (Lenders require, but not included?)	?
Life Of Loan Coverage Flood Fee	x
Table Funding Fee	x
Lender Underwriting Fee	x
Broker Underwriting Fee	x
Processing Fee	x
Courier Fee	x
Lender Courier Fee	x
442 Recertification Fee (Lenders require, but not included?)	
Mortgage Insurance Premium and Impound Cushion	x
Administrative Fee	x

Application Fee	x
Commitment Fee	x
Escrow/Closing Agent/Closing Attorney Fee	x
Title Binder Fee	
Document Preparation Fee By Escrow (Some say include)	
Redraw Fee	
Notary Fee	
Lender's Attorney Fee	x
Title Policy Premium Fee	
Loan Tie-In	x
Sub Escrow By Title Company To Pay Off Existing Liens On Loan	x
Title Endorsement Fees	
Fax Fee By Title Company	x
Courier Fee By Title Company	x
Recording Fees (Some say include)	
Wire Transfer Fee (<i>regardless of who charges it</i>)	x
Signing Fee	x
Non-Closing Attorney Fee (<i>retained by borrower</i>)	

The actual understanding of which fees to include in the APR calculation, varies among banks, brokers and mortgage companies. That is why the APR in the real world is not really a useful comparison tool. The following list was provided to us by a national wholesale mortgage lender as a guide for what they include in their calculations. Use this chart only as an example, not a guarantee. Even this list is open to debate.

We would never pick a lender just based on Annual Percentage Rate.

If honest lenders debate which items to include in the APR calculation because of their interpretation, how can any borrower know if the information is correct! Bottom line - It is very easy to manipulate

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Examples of APR Fees

ACCESS	FACILITY FEE	POST CLOSING AUDIT
ADMINISTRATION FEE	FAST TRACK INSURANCE (MI)	PREPAID INTEREST
AMORT. SCHEDULE	EXPRESS CHARGES	PRIVATE MORTGAGE
APPLICATION FEE	FACILITY FEE	INSURANCE
APPRAISAL REVIEW (not if pd to appraiser)	FAST TRACK INSURANCE (MI)	PROCESSING
ASSIGNMENT FEE	FAX FEE	PURCHASING
ASSIGNMENT OF LIEN	FEDERAL EXPRESS	RECERT OF VALUE (only if really going to lender)
ASSUMPTION	FHA MIP	RECORDING FEE (for assignment only)
ATTORNEY FEE	FLOOD CERTIFICATION	RECORDING SERVICE
AUDIT	FLOOD DETERMINATION	REDRAW FEE
BAS INSPECTION (to Lender)	FUNDING FEE	RESALE CERTIFICATES
BOND PROCESSING	FUTURE RELEASES	REVIEW APPRAISAL (not if paid to appraiser)
BROKER FEE	GOOD FUNDS	REVIEW FEE
BUYDOWN FEE	INSURANCE TRACKING	REFERRAL FEE
CHAIN OF TITLE (Title Company)	INTERIM INSPECTIONS	SECONDARY MARKET SERVICES
CLO ACCESS FEE	INVESTMENT FEE	SETTLEMENT
CLOSING FEE	INVESTOR FEE	SETTLEMENT ATTENDANCE
CLOSING REVIEW	LENDER INSPECTION FEE	SIGN-UP FEE
COMMITMENT FEE	LIFE OF LOAN	SUB 60 EXPRESS
COMPLIANCE FEE	LOAN FEE	SUB ESCROW
CONTINGENCY RESERVE	LOAN SUBMISSION	TAX SERVICE
COPY FEE	LOAN TIE-IN	TELEPHONE
COPY OF RESTRICTIONS	LOAN TRANSFER	TRANSFER FEE
COORDINATION	LOCK EXTENSION	UNDERWRITING
COURIER FEE (including to Title Company)	LOCK FEE	VA FUNDING FEE
DELIVERY	LOCK-IN FEE	VERIFICATION
DEMAND FEE	LONG DISTANCE	VOD (if paid to broker, lender, or investor)
DESK TOP UNDERWRITING	MCC	WAREHOUSE FEE
DISCOUNT FEE	MESSENGER	WIRE FEE
DOCUMENT PREP (if other than Schwartz)	MODIFICATION	1098 PREPARATION FEE
DOCUMENT REVIEW FEE	MORTGAGE INSURANCE	203K HOME INSPECTION
DRAW	NO INCOME FEE	3 RD PARTY AUDIT
ESCROW FEE (to title company)	NOTARY	**
ESCROW WAIVER	ODD DAYS INTEREST	
EXPRESS CHARGES	ORIGINATION	
	OVERNIGHT	
	PMI PROCESSING	
	POINTS	

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Examples of NON APR Fees

ABSTRACT FEE ABSTRACTING FEE AGGREGATE ADJUSTMENT APPRAISAL APPRAISAL REVIEW (to appraiser) CREDIT REPORT ENDORSEMENTS ESCROW DEPOSIT FICO SCORING FINAL INSPECTION FINAL PHOTO FLOOD INSURANCE GA RESIDENTIAL MTG PER LOAN FEE (\$6.50) HAZARD INSURANCE HOA DUES	VERIFICATION OF DEPOSIT (to 3 rd party) VOD (to 3 rd party) VERIFICATION FEES ON COLONIAL LOANS INSPECTION FEE (to appraiser) MORTGAGE CANCELLATION MORTGAGE TITLE INSURANCE PEST INSPECTION RECERTIFICATION OF VALUE (to appraiser) RECONVEYANCE FEE RECORDING FEES FOR SECURITY INSTRUMENT RECORDING FEES FOR WARRANTY DEED REPAIRS	REVIEW APPRAISAL (to appraiser) SCHWARTZ DOCUMENT PREPARATION FEE SCHWARTZ REDRAW FEE STATE TRANSFER SURVEY TAX CERTIFICATION TAXES TERMITE INSPECTION TITLE ABSTRACT TITLE COMMITMENT TITLE EXAMINATION TITLE INSURANCE PREMIUM TITLE POLICY TITLE FEE 442 VERIFICATION OF DEPOSIT **
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**Please be advised that these are all only examples and that your lender must verify what they include in an APR fee vs. a non APR fee.

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