



# Seller Guide Update



SEL-2022-021: Tax Service Fee Change Coming Soon

May 13, 2022

- Correspondent Lending
- Housing Finance Agency (HFA)

## Summary

Underwriting/Delivery	
<input checked="" type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input checked="" type="checkbox"/>	Corr. EZD
<input checked="" type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input checked="" type="checkbox"/>	FHA
<input checked="" type="checkbox"/>	VA
<input checked="" type="checkbox"/>	Rural Development

**Effective Date:** Effective with new Correspondent loan registrations and/or new HFA loan reservations on or after July 17, 2022.

U.S. Bank will increase the **Tax Service Fee** charged on all loans from \$80 to \$84 for all properties located in all states.

Timeline	Tax Service Fee
<b>Current:</b> Loans registered or reserved before July 17 <sup>th</sup>	\$80
<b>Coming Soon:</b> Loans registered or reserved on/after July 17 <sup>th</sup>	\$84

- When the specific program allows for the fee to be charged to the consumer, we will accept placement of the fee in Section B of the Loan Estimate (LE) and Closing Disclosure (CD) paid to CoreLogic Tax Services, or the vendor of the lender's choice. U.S. Bank does not provide tax monitoring services and will not accept Section B fees disclosed as paid to U.S. Bank. Lenders may disclose the fee as payable to themselves (the lender). Payee should not be listed as TBD or left blank.
- Lenders are reminded to review specific program guidelines and regulatory requirements on what fees may be charged to the borrower.

## Reminder: U.S. Bank Secondary Market Fees

As a reminder, and as referenced in Section 900: Delivery and Funding: C. Funding Documentation Requirements:

U.S. Bank charges certain fees when purchasing a closed loan through our Correspondent and HFA business channels (e.g., funding fees and tax service fees). These fees are deducted from the loan proceeds when wired to the lender and are considered part of the secondary market transaction. We consider the U.S. Bank secondary market transaction to be separate from the lender's transaction with the consumer. Any secondary market fees a lender passes to the consumer must be disclosed on the Closing Disclosure under Section A, Origination Charges paid to the lender. Fees not disclosed in Section A of the Closing Disclosure will require the Lender to cure prior to purchase by U.S. Bank. U.S. Bank does not prohibit lenders from passing the secondary market fees on to the consumer. However, please know that some fees may be prohibited under the policies and guidelines for the program (e.g., the Housing Finance Agency program policies, Freddie, Fannie, HUD, etc.).

U.S. Bank includes all lender origination charges in the Annual Percentage Rate (APR) and the points and fees calculations.

## Seller and HFA Lending Guide Updates

The Correspondent Seller and HFA Lending Guides will be updated to reflect the new Tax Service Fee based on the effective date as provided above as follows:

- 640.1: Commitment and Underwriting Fee Schedule

## Questions



**Correspondent:** Please contact your Account Executive or the Client Support Area at 800.200.5881, option 1.

**HFA:** Please contact the Housing Finance Agency Hotline at 800.562.5165, option 1 for the HFA Customer Care Team.

