

1-19-2010 NJHMFA Bulletin – Updated - 1% Reimbursable Fee Placement on New GFE & HUD-1

This Bulletin is an update to the January 11, 2009 Bulletin (attached below) regarding the placement of the 1% reimbursable NJHMFA Reservation fee on the new GFE and HUD-1 on NJHMFA First Time Home Buyer loans.

Jerry Keelen, NJHMFA's Director of Single Family Programs and Jim Hall, Assistant Director, met with Ivy Jackson who is HUD's Director of RESPA last week in Washington, D.C. and received direction on where this fee should be placed on the new GFE and HUD-1. Ms. Jackson advised the following:

- 1. On the GFE the reimbursable 1% NJHMFA Reservation fee should be listed in the Section titled "Your Charges for All Other Settlement Services" #3. "Required services that we select". You may note in parentheses that the fee will be reimbursed at closing. This fee is a 3rd party fee charged by NJHMFA not the originating lender and this is the reason why it is not included in block #1 of the new GFE.**
- 2. On the HUD-1 the credit for reimbursement may be listed in Section 200 "Amounts Paid by or in Behalf of Borrower". The credit may be listed in the "Adjustments" blank lines 213 to 219 on the new HUD-1.**