

## Fees and Costs Authorized by the Iowa Code That Can Be Charged to Iowa Borrowers for a Loan Secured by Residential Real Estate

This chart refers solely to Iowa law and does address RESPA impacts.

	<b>HOME ACQUISITION LOAN (HAL)</b>	<b>CONSUMER LOAN (NOT OPEN END)</b>	<b>HOME EQUITY LINE OF CREDIT</b>
ABSTRACTING FEE	535.8(2)(b)(4) Cost to Lender or reasonable estimate of expense incurred by lender in performing service.	537.2501(1)(e)(1) Cost to the lender	535.8(2)(b)(2) Cost to Lender or reasonable estimate of expense incurred by lender in performing service.
ACCOUNT MAINTENANCE FEE	Not Allowed	Not Allowed	535.10(3) Not to exceed \$15/year
APPLICATION FEE	Not Allowed	537.2501(1)(j) For a loan of up to \$3,000 with a term of 12 months or less, a fee not to exceed lesser of 10% of the loan amount or \$30	Not allowed
APPRAISAL FEE	535.8(2)(b)(2) Cost to Lender or reasonable estimate of expense incurred by lender in performing service.	537.2501(1)(e)(1) Cost to the lender	535.8(2)(b)(2) Cost to Lender or reasonable estimate of expense incurred by lender in performing service.
ATTORNEY' OPINION	535.8(2)(b)(3) Cost to Lender	537.2501(1)(e)(1) Cost to the lender	535.8(2)(b)(3) Cost to Lender
BROKER FEE	535B, 535C.2A As agreed between borrower & broker	535B, 535C2A, 537.1301(19)(a)(4) Included as part of finance charge with unearned portion subject to rebate per 537.2510 if loan prepays.	535B, 535C.2(4),537.1301(19)(a)(4) As agreed between borrower & broker
CLOSING FEE	535.8(2)(a) As agreed between borrower & lender	Not Allowed	Not Allowed
COMMITMENT FEE	535.8(2)(a) As agreed between borrower & lender	Not Allowed	Not Allowed
CREDIT REPORT	535.8(2)(b)(1) Cost to lender	Not Allowed	535.8(2)(b)(2) Cost to Lender
3 <sup>RD</sup> PARTY DOC PREP FEE	Not Allowed	537.2501(1)(e)(2) Cost to the lender*	537.2501(1)(e)(2) Cost to the lender*
FLOOD ZONE DETERMINATION	535.8(2)(b) As agreed upon between lender & borrower if bona fide and reasonable AND not retained by Lender	Cost to Lender	Cost to Lender
INSPECTION FEE	535.8(2)(b)(6) Cost to Lender	Not Allowed	535.8(2)(b)(6) Cost to Lender
INTEREST REDUCTION FEE OR PAYMENT REDUCTION FEE	535.8(3) As agreed between borrower & lender	Not Allowed	Not Allowed
LATE CHARGES	535B.12 As stated in mortgage documents	537.2502 – Must be at least 10 days past due, then 5% of unpaid payment amount, capped at \$15	535.10(3), 537.2502(4) Not to exceed \$15 on payment not paid in full when due

LOAN ORIGATION FEE OR LOAN PROCESSING FEE	535.8(2)(a) 2% of principal (1% on refinance with same borrower and same lender.)	Not Allowed	535.10(3) As agreed between borrower and lender
MORTGAGE GUARANTEE INSURANCE	535.8(2)(b)(7) Cost to lender	Not Allowed	535.8(2)(b)(7) Cost to Lender
3 <sup>RD</sup> PARTY NOTARY FEES	Not Allowed	537.2501(1)(e)(4) Cost to the lender	537.2501(1)(e) (4)Cost to Lender
PREPAYMENT PENALTY	Not Allowed	Not Allowed	Not allowed if HE LOC is for \$25,000 or less
RECORDING FEES	535.8(2)(b)(5) Cost to lender	537.2501(1)(a) Cost to the lender	535.8(2)(b)(5) Cost to Lender
REGISTRATION FEES, CERTIFICATE OF TITLE FEES	Not Allowed	537.2501(1)(c) Cost to the lender	537.2501(1)(c) Cost to Lender
SURVEYING	535.8(2)(b)(8) Cost to lender	537.2501(1)(e)(1) Cost to the lender	535.8(2)(b)(8) Cost to Lender
TERMITE INSPECTION	535.8(2)(b)(9) Cost to lender	Not Allowed	535.8(2)(b)(9) Cost to Lender
TITLE GUARANTY – IFA ISSUED	535.8(2)(b)(10) Cost to lender	537.2501(1)(e)(1) Cost to the lender	535.8(2)(b)(10) Cost to Lender
TITLE INSURANCE	Not Allowed	537.2501(1)(e)(1) Cost to the lender	537.2501(1)(e)(1) Cost to Lender
THIRD PARTY SETTLEMENT FEES – such as escrow waiver or desk top underwriting fees	535.8(2)(b) As agreed upon between lender & borrower if bona fide and reasonable AND <u>not retained by Lender</u>	NOT ALLOWED	NOT ALLOWED

\* 12 USC 2610 prohibits fees for preparation of TIL and RESPA statements on “federally related mortgage transactions.”

**Home Acquisition Loan** – 535.8(1) - A loan of money which is wholly or in part to be used for the purpose of purchasing real property which is a single-family or a two-family dwelling occupied or to be occupied by the borrower, includes the refinancing of a contract of sale, and the refinancing of a prior loan, whether or not the borrower was the borrower under the prior loan, and the assumption of a prior loan.

**Consumer Loan** – 537.1301(14) – A loan in which the debtor is a natural person; the debt is incurred primarily for a personal, family or household purpose; either the debt is payable in installments or a finance charge is made; and the amount financed does not exceed \$25,000.

**Home Equity Line of Credit** – 535.10(1) -An arrangement pursuant to which all of the following are applicable: the amounts borrowed and the interest and other charges are debited to an account; the interest is computed on the account periodically; the borrower has the right to pay in full at any time without penalty or to pay in the installments which are established by the loan agreement; the lender agrees to permit the borrower to borrow money from time to time with the maximum amount of each borrowing established by the loan agreement; and the account is secured by an interest in real estate.