Home Savings of America
Wholesale GFE Scenarios, etc...

...Let go of the old concept of "YSP". Rates are listed with "Premium Pricing/Points" or "Discount Points". Premium and Discount points apply to the borrower: Premium Points can used by the borrower to pay 3rd party fees; Discount points are paid by the borrower.

Wholesale - Borrower Paid Broker Compensation - Is a "No Lender Fee" or a "No Cost" Loan possible?

No Lender Fee Loan: Select a line a pricing with sufficient Premium Points to cover the HSOA Admin Fee

No Cost Loan: Select a line a pricing with sufficient Premium Points to pay the HSOA Admin Fee and all 3rd Party fees.

Note: With Borrower Paid Broker Comp, the borrower will still pay Broker fees - unless the seller makes a contribution. A seller's contribution is considered borrower's funds and can be used to pay broker fees with this Comp method.

Wholesale - Lender Paid Broker Compensation - - Is a "No Lender Fee" or a "No Cost" Loan possible?

No Lender Fee Loan: Select a line a pricing with sufficient Premium Points to pay the HSOA Admin Fee

No Cost Loan: Select a line a pricing with sufficient Premium Points to pay the HSOA Admin Fee and all 3rd Party fees.

eHome Tips

Rates/pricing displayed in Green = Premium Pricing/Points

Rates/pricing displayed Red = Discount Points

Borrower Paid Broker Comp

Premium Pricing/Points cannot be used to pay any Broker fees. (GFE Block 1 Broker Fees)

Premium Pricing/Points can be used to pay HSOA Admin Fee and 3rd party Fees (GFE blocks 3-11)

Excess Premium Pricing/Points can be applied to Prepaid Interest and the initial Escrow/Impound Deposit

Discount Points represent the cost of the rate and are paid by the borrower.

Lender Paid Broker Comp

To make pricing easy - the Lender Paid column reflects the Broker's pricing taking into consideration the broker's Comp Agreement with HSOA The Premium or the Discount reflect the pricing to the borrowers.

Premium Pricing/Points cannot be used to pay any Broker fees. (GFE Block 1 Broker Fees)

Premium Pricing can be used to pay HSOA Admin Fee and 3rd party Fees (GFE blocks 3-11)

Excess Premium Pricing/Points can be applied to Prepaid Interest and the initial Escrow/Impound Deposit

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Rate Sheet	
4.625	**1.282**
5.250	**(2.849)**

GFE	HUD-1
Block 1	801
Block 2	802
Line A	803
Line B	various
A + B	various

Borrower Paid Broker Comp	
Scenario 1	Scenario 2
Premium Points	Discount Points
Rate: 5.250 (2.849)	**Rate: 4.625 1.282**
Loan: $100,000	Loan: $100,000
Orig $1,000	Orig $1,000
Proc Fee $500	Proc Fee $500
HSOA Admin $995	HSOA Admin $995
Premium Pts: $2,849	**Discount Pts: $1,282**
$2,495.00	$2,495.00
-$2,849.00	**$1,282.00**
-$354.00	$3,777.00
$6,000.00	$6,000.00
$5,646.00	$9,777.00
Block 2, Box 2 - Credit	**Block 2, Box 3 - Charge**
Premium Points	**Discount Points**
$2,849	**$1,282**

Lender Paid Broker Comp	
Scenario 3	Scenario 4
Premium Points	Discount Points
Rate: 5.250 (0.849)	**Rate: 4.625 3.282**
Loan: $100,000	Loan: $100,000
LPBC: 2% $2000	LPBC:2% $2000
HSOA Admin $995	HSOA Admin $995
Premium Pts: $849	**Discount Pts: $3,282**
$2,995.00	$2,995.00
-$2,849.00	**$1,282.00**
$146.00	$4,277.00
$6,000.00	$6,000.00
$6,146.00	$10,277.00
Block 2, Box 2 - Credit	**Block 2, Box 3 - Charge**
LPBC + Premium Points	**LPBC + Discount Points**
$-2,000 + -$849 = -$2,849	**$-2,000 + $3,282 = $1,282**

Block 2, HUD-1 Line 802 can be a credit (a negative value) a charge (a positive value) or the net of a credit and a charge
When the net result is negative, Box 2 (credit) is checked. When the net result is positive, Box 3 (charge) is checked

Fees listed in the scenarios are used to illustrate GFE logic and are not HSOA's fee policy

Scenarios 1, 2 - Borrower Paid Broker Comp

1. The GFE can't be used to determine if the Premium is applied to allowable fees - per Reg Z/LO Comp Rules.
   The LO comp math works this way: The Premium pays the HSOA Admin Fee and some of the 3rd party fees. ($995 + $1,854 = $2,849)
2. Borrower pays all Broker Fees, HSOA Admin Fee, HSOA Discount, and 3rd party fees

Scenarios 3, 4 - Lender Paid Broker Comp (Lender paid broker comp included in HSOA wire to closing/settlement agent)

3. Premium Points ($849) pays some of the HSOA Admin Fee.
4. Borrower pays HSOA Admin Fee, HSOA Discount, and 3rd party fees