



BULLETIN C009-11-02

DATE: November 24, 2009

TO: All Correspondent Lenders

FROM: Wintrust Mortgage Corporation

RE: Borrower's Closing Cost Guidelines – Acceptable Fees

Recently, our compliance department has noticed that our Correspondent Lenders have been charging borrowers certain fees on FHA and VA loans that are unacceptable to HUD and VA through their QC audit process.

We want to remind you that per the terms of our Correspondent Agreement you are required to follow all state, federal, and agency guidelines.

To view acceptable closing costs that a buyer may pay for FHA, please review the Mortgage Credit Guidelines. In addition, Mortgagee Letters 2006-04 and 2006-07 will be helpful.

To view acceptable closing costs that a buyer may pay for VA, please review VA Handbook Chapter 8, Subsection 2.

The one fee that we have been seeing a lot lately is lenders charging the borrower a tax service fee for FHA & VA loans. This fee is not acceptable to either of these agencies. This fee can only be charged on Conventional loans unless the escrows are waived.

Effective immediately, if you have charged this fee or any other unacceptable borrower fee, you will be required to refund that amount to the borrower and provide proof that the borrower has received the check (signed federal express receipt, etc.). Going forward, please be careful with the fees and do not charge the borrower to avoid the extra work in the refund process.

If you have any questions regarding the procedure, please feel free to contact the Correspondent Lending Division at correspondent@wintrustmortgage.com.

We thank you for your continued support in our Correspondent program.