

## Entering Lender Paid Premiums on the CDF

When the Lender is preparing the Closing Disclosure Form (CDF) and providing it to the Borrower, use the following steps to complete your Seller CDF and Settlement Statement.

**NOTE: Settlement is referencing this portion of the CFPB Regulation - Comment on Paragraph 37(g)(6)(ii).**

- › **1. Lender credits.** Section [1026.19\(e\)\(1\)\(i\)](#) requires disclosure of lender [credits](#) as provided in § [1026.37\(g\)\(6\)\(ii\)](#). Comment [19\(e\)\(3\)\(i\)-5](#) describes such lender [credits](#) as payments from the [creditor](#) to the [consumer](#) that do not pay for a particular fee on the disclosures provided under § [1026.37](#).
- › **2. Credits or rebates from the creditor to offset a portion or all of the closing costs.** For loans where a portion or all of the closing costs are offset by a [credit](#) or rebate provided by the [creditor](#) (sometimes referred to as “no-cost” loans), whether all or a defined portion of the closing costs disclosed under § [1026.37\(f\)](#) or [\(g\)](#) will be paid by a [credit](#) or rebate from the [creditor](#), the [creditor](#) discloses such [credit](#) or rebate as a lender [credit](#) under § [1026.37\(g\)\(6\)\(ii\)](#). The [creditor](#) should ensure that the lender [credit](#) disclosed under § [1026.37\(g\)\(6\)\(ii\)](#) is sufficient to cover the estimated costs the [creditor](#) represented to the [consumer](#) as not being required to be paid by the [consumer](#) at [consummation](#), regardless of whether such representations pertained to specific items. (<http://www.consumerfinance.gov/eregulations/1026-37/2013-28210#1026-37-g-6>)

1. Enter Title fees as normal, including the Seller credit to borrower on the **Title Insurance Premiums** screen
2. Navigate to **CDF Pg 2, section J – Total Closing Costs (Borrower-Paid)**
3. On the **Lender Credits** line, enter the total charges from the Lender’s closing instructions for Lender Paid Title Fees
4. Print your Seller CDF and Buyer/Seller Settlement Statement(s) as normal

J. TOTAL CLOSING COSTS (Borrower-Paid)		\$16,174.42
Description	Borrower-Paid At Closing	Borrower-Paid Before Closing
Closing Costs Subtotals (D + I)	\$17,786.62	\$29.80
▶ Lender Credits	(\$1,642.00)	

If the lender would like you to provide a CDF and does not accept it entered as above, use the following steps.

### Entering Figures per Lender Instructions

1. Navigate to the **CDF Pg 2** screen, click the Line number link for the **Title – Lender’s Title Insurance** entry

C. Services Borrower Did Shop For			
	Description	Re	To Name
<a href="#">01</a>	Pest Inspection		PI Mug-A-Bug
<a href="#">02</a>	Survey Fee		SU Lewis & Clark Surve...
▶ <a href="#">03</a>	Title - Lender's Title Insurance		A Lawyers Title Comp...
<a href="#">04</a>	Title - Not Yet Due and Payable T...		A Lawyers Title Comp...
<a href="#">05</a>	Title - T-19 Restrictions, Encroach...		A Lawyers Title Comp...
<a href="#">06</a>	Title - T-30 Amendment of Tax Ex...		A Lawyers Title Comp...

## Entering Lender Paid Premiums on the CDF

- In the **Borrower Paid At Closing** column, manually overwrite the amount paid by the Borrower with the balance due, if any
- In the **Seller-Paid At Closing** field, overwrite the amount with 0
- In the **Paid By Others** field, enter the amount paid by the Lender

**C. Services Borrower Did Shop For**  
**Charges for Line 02**

Description	Re	To	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid By Others
1 Title - Lender's Title Insurance		A	\$218.00		\$0.00		\$1,000.00

Details | Payors | Payees

1 Title - Lender's Title Insurance Re: To: A Name: Lawyers Title Company

Borrower-Paid At closing: **\$218.00** Before closing: Seller-Paid At closing: **\$0.00** Before closing: Paid by others: **\$1,000.00**

Cost paid: At Closing Seller pay: % Bill code: TP Tolerance: None Loan estimate: Fee type: Title Lenders Coverage Premium

- Click the **Title Insurance Premiums** link (at the bottom of the window)

[Title Premium Disclosures](#)

Make the necessary adjustments to correct the errors. In the **Final Premiums/Settlement Statements/Register** section,

- Enter the amount to be paid by the Lender in the,
  - Loan policy: Other** field
  - Owner's policy: Other** field
- Verify the amounts displayed in the **Buyer** fields are adjusted; if not, manually adjust
- The entries in the **Full Premiums/CDF** section are populated with the information entered on the **Details** tab (Step 4 above).
- Click the **Close** button

**Disclosures**

Paid At Closing | Paid Before Closing (POC)

Final Premiums/Settlement Statements/Register

	Buyer	Seller	Other	Total
Loan policy:	<b>\$418.00</b>		<b>\$100.00</b>	\$100.00
Owner's policy:	<b>\$418.00</b>		<b>\$900.00</b>	\$1,318.00
Owner's seller pay %:			%	
Total:	\$418.00		\$1,000.00	\$1,418.00

Full Premiums/CDF

	Buyer	Seller	Other	Total
Loan policy (C.02):	<b>\$218.00</b>	<b>\$0.00</b>	<b>\$1,000.00</b>	\$1,218.00
Owner's policy (H.03):	\$200.00			\$200.00
Seller credit:				
Total:	\$418.00		\$1,000.00	\$1,418.00

**Close**

## Entering Lender Paid Premiums on the CDF

10. Click the **Payors** tab
11. From the **Code** drop-down, select the **L-Contact** for the line with the dollar amount
12. From the **Process As** drop-down, select **Incoming Fund**

Details		Payors	Payees				
Code	Name	Amount	POC	Disburse POC	For	Process As	Bill Code
BA	Michael Jones and Mary Jones		<input type="checkbox"/>	<input type="checkbox"/>	BA		
SA	Steve Sellenman and Amy Smith		<input type="checkbox"/>	<input type="checkbox"/>	SA		
<b>L</b>	First Ever Savings & Loans	\$100.00	<input type="checkbox"/>	<input type="checkbox"/>	BA	<b>Incoming Fund</b>	TP

13. Click the **Close** button

The CDF displays the amounts in the appropriate columns.

Description	Re	To	Name	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid By Others
01 Title - eRecording Fee		A	Lawyers Title C...	\$6.00				
02 Title - Lender's Title Insura...		A	Lawyers Title C...	\$218.00		\$0.00		\$1,000.00
03 Title - Not Yet Due and Pa...		A	Lawyers Title C...	\$5.00				

NOTE: If you do not wish to have the CDF display a \$0.00 entry in the **Seller-Paid At Closing** field,

1. In the **Borrower Paid At Closing** column, manually overwrite the amount paid by the Borrower with the balance due, if any
2. In the **Paid by others** field, enter the amount to be paid by the Lender
3. From the **Cost paid** drop-down, select **By Others**

**C. Services Borrower Did Shop For**

**Charges for Line 03**

Description	Re	To	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid By Others
1 Title - Lender's Title Insurance		A	\$218.00				\$1,000.00

Details | Payors | Payees

1 Title - Lender's Title Insurance Re:  To: A Name: Lawyers Title Company

Borrower-Paid At closing:  \$218.00 Before closing:

Seller-Paid At closing:  Before closing:

Cost paid: **By Others** Seller pay:  % Bill code: TP

Tolerance: None Loan estimate:  Fee type:

Paid by others:  \$1,000.00

4. Continue with **Steps 5-13** above

14. Navigate to the **Title Insurance Premiums** screen and note the **Final loan premium** amount

Coverage amount:	\$162,000.00
Seller pay %:	
<b>Final loan premium:</b>	<b>\$100.00</b>
Full loan premium:	\$1,218.00

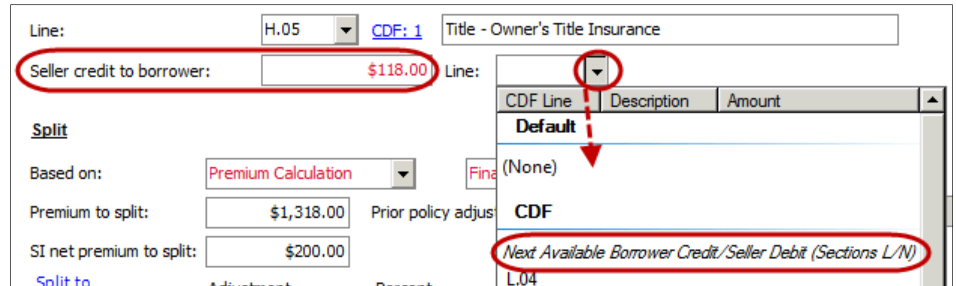
## Entering Lender Paid Premiums on the CDF

If the Buyer is paying

- > **less** than the **Final loan premium** amount, no Seller credit needed. Skip to **Calculating the Seller Adjustment for Owner's Policy**
- > **more** than the **Final loan premium** amount, continue to **Calculating the Offset Credit to Buyer from Seller**

### Calculating the Offset Credit to Buyer from Seller

1. Navigate to the **Title Insurance Premiums** screen
2. Click the **Owner's Policy Premium and Split** more/less bar



3. In the **Seller credit to borrower** field, enter the difference between what the borrower paid and the final loan premium (in our example, the **Final Loan premium** equals \$100; the Buyer paid \$218 (line C.03) with a Seller credit of \$118)
4. From the **Line** drop-down, select the **Next Available Borrower Credit/Seller Debit** line

### Calculating the Seller Adjustment for Owners Policy

1. While on the **Title Insurance Premiums** screen, scroll up to and make note of, the **Final owner's premium** amount
2. Determine the difference to be charged to the Seller

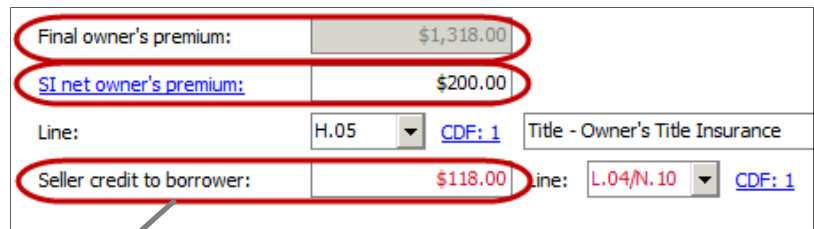
Final owner's premium = \$1,318.00

Less the,

SI net owner's premium = \$ 200.00

**Seller Credit to borrower** = \$ 118.00

Charge to Seller = \$1,000.00



NOTE: **Seller Credit to borrower** may be zero if no credit is given.

3. Navigate to **CDF Page 3**, section **N. Due from Seller at Closing**
4. On the next available blank line, in the Description field, enter *Title Insurance Premium Adjustment*
5. Enter the calculated charge to Seller (in our example, \$1,000)
6. From the **To** code drop-down, select the **L-Contact**

N. Due from Seller at Closing				\$102,893.00
Description	Re	To	Seller	
01 Excess Deposit				
07				
08 Seller Credit - Option Fee				\$100.00
09 Title Insurance Premium Adjust...		L		\$1,000.00
10 Title Insurance Premium Adjust...				\$118.00

## Entering Lender Paid Premiums on the CDF

### Printing the CDF

Once the CDF is approved by the Lender,

1. From the **Documents** tab, select the appropriate Seller CDF
2. Print and publish

### Printing the Settlement Statements

Before printing the Settlement Statement, you must adjust the CDF to reflect a regular CDF with **no** Lender-paid premiums.

1. Navigate to **CDF Page 3**, section **N**
2. On the **Title Insurance Premium Adjustment** line paid to the Lender, clear the amount by pressing the **F2** key
3. Navigate to the **CDF Pg 2** screen, click the Line number link for the **Title – Lender's Title Insurance** entry

08	Seller Credit - Option Fee			\$100.00
09	Title Insurance Premium Adjus...		L	
10	Title Insurance Premium Adjus...			\$1,118.00

Description	Re	To
01 Pest Inspection		PI
02 Survey Fee		SU
03 Title - Lender's Title Insurance		A

4. Click in each manually-entered (red text) field and press the **F2** key so the entry shows a **Borrower-Paid At Closing** amount in system-generated black text

**Before**

Description	Re	To	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid By Others
1 Title - Lender's Title Insurance		A	\$218.00				\$1,000.00

1 Title - Lender's Title Insurance
Re:
To: A
Name: Lawyers Title Company

Borrower-Paid
At closing: \$218.00
Before closing:

Seller-Paid
At closing:
Before closing:

Cost paid: By Others
Seller pay:
% Bill code: TP

Paid by others: \$1,000.00

**After**

Description	Re	To	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid By Others
1 Title - Lender's Title Insurance		A	\$1,218.00				

1 Title - Lender's Title Insurance
Re:
To: A
Name: Lawyers Title Company

Borrower-Paid
At closing: \$1,218.00
Before closing:

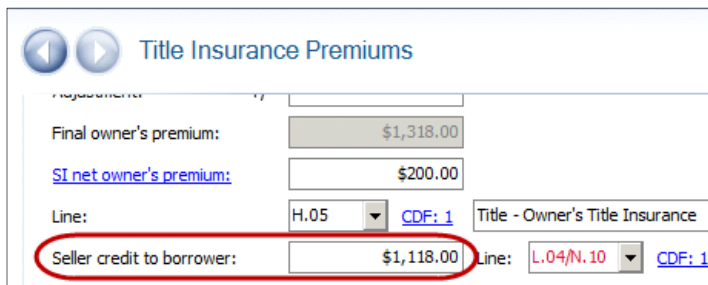
Seller-Paid
At closing:
Before closing:

Cost paid: At Closing
Seller pay:
% Bill code: TP

Paid by others:

## Entering Lender Paid Premiums on the CDF

5. Navigate to the **Title Insurance Premiums** screen
6. Click the **Owner's Policy Premium and Split** more/less bar
7. Click in the **Seller credit to borrower** field, press the **F2** key so the system-calculated amount shows in black text
8. Verify the **Line** field displays a CDF Line, if not select



**Title Insurance Premiums**

Final owner's premium: \$1,318.00

SI net owner's premium: \$200.00

Line: H.05 CDF: 1 Title - Owner's Title Insurance

**Seller credit to borrower: \$1,118.00** Line: L.04/N.10 CDF: 1

If the buyer was paying less than the **Final loan premium** amount, continue to the next step. Otherwise, skip to **Step 11**.

9. Navigate to **CDF Page 3**, section **J**
10. In the **Lender Credits** field, enter the title premium credit the Lender is paying

<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>		<b>\$17,754.15</b>
Description	Borrower-Paid At Closing	Borrower-Paid Before Closing
Closing Costs Subtotals (D + I)	\$17,786.60	\$29.80
▶ Lender Credits	<b>(\$62.25)</b>	

11. You are now ready to print your Settlement Statement(s)