

Finance Charge Matrix

The Texas Department of Savings and Mortgage Lending has adopted, with slight modification, the Multi-State Mortgage Committee finance charge matrix. This matrix lists various fees or charges, whether or not the fees or charges are considered finance charges, and the applicable citation to Section 1026.4 of Regulation Z or the Official Commentary to Reg Z. Note that where a particular fee or charge, such as the flood certification fee, can be either a finance charge or not a finance charge, the fee/charge is listed twice with a different charge code assigned. This matrix is for examination purposes only. It is not intended as legal advice. Reliance on this material for any other purpose should include attorney consultation.

Fee or Charge	Finance Charge	Citation
Abstract Title Search	N	Reg. Z § 1026.4(c)(7)(i)
Accident Insurance	N ¹	Reg. Z § 1026.4(d)(1)
Administration Fee	Y	Reg. Z § 1026.4(b)(2)
Application Fee	Y ²	Reg. Z § 1026.4(c)(1)
Appraisal Fee	N ³	Reg. Z § 1026.4(c)(7)(iv)
Appraisal Review Fee	N ³	Reg. Z § 1026.4(c)(7)(iv)
Assignment Fee	Y	Reg. Z § 1026.4(b)(6)
Attorneys Fee	N	Official Staff Commentary § 1026.4(a)(2)-2
Attorney Trust Review	Y	Reg. Z § 1026.4(c)(7)
Broker Fee	Y	Reg. Z § 1026.4(a)(3)
Buydown Fee	Y	Reg. Z § 1026.4(b)(3)
City Stamp Mortgage	N	Official Staff Commentary § 1026.4(a)-5(iii)
City Tax Stamps	N	Official Staff Commentary § 1026.4(a)-5(iii)
Closing Fee	N	Official Staff Commentary § 1026.4(a)(2)-2
Commitment Fee	Y	Reg. Z § 1026.4(b)(3)
County Tax	N	Official Staff Commentary § 1026.4(a)-5(iii)
Courier Fee	Y	Official Staff Commentary § 1026.4(a)(2)-1
Credit Life Insurance	N ¹	Reg. Z § 1026.4(d)(1)
Credit Report	N ³	Reg. Z § 1026.4(c)(7)(iii)
Debt Cancellation Ins.	N ¹	Reg. Z § 1026.4(d)
Demand Bene Fee	Y	Official Staff Commentary § 1026.4(b)(5)-2
Disability Ins. Premium	N ¹	Reg. Z § 1026.4(d)(1)
Discount Fee	Y	Reg. Z § 1026.4(b)(3)
Document Fee	N ³	Reg. Z § 1026.4(c)(7)(ii)
Document Review	N ³	Reg. Z § 1026.4(c)(7)(ii)
Email Fee	Y	Reg. Z § 1026.4(b)(2)
Endorsement Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Environmental Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Escrow Fee- Closing Agent	N	Official Staff Commentary § 1026.4(a)(2)-2
Escrow Waiver Fee	Y	Reg. Z § 1026.4(a)(2)
Flood Certification Life of Loan	Y	Official Staff Commentary § 1026.4(c)(7)-3
Flood Certification	N ³	Reg. Z § 1026.4(c)(7)(iv)
Flood Determination Life of Loan	Y	Official Staff Commentary § 1026.4(c)(7)-3
Flood Insurance Premium	N ⁴	Reg. Z § 1026.4(d)(2)
Funding Fee	Y	Reg. Z § 1026.4(b)(2)
Hazard Insurance Premium	N ⁴	Reg. Z § 1026.4(d)(2)
Health Insurance	N ¹	Reg. Z § 1026.4(d)(1)
Inspection Fee- Construction	Y	Reg. Z § 1026.4(c)(7)(iv)
Intangible Tax	N	Official Staff Commentary § 1026.4(a)-5(iii)
Interest	Y	Reg. Z § 1026.4(b)(1)
Lender Coverage Fee	N	Reg. Z § 1026.4(d)
Loss-Of-Income Insurance	N ¹	Reg. Z § 1026.4(d)(1)
MERS Registration Fee	Y	Reg. Z § 1026.4(b)(6)
Messenger Fee	Y	Reg. Z § 1026.4(b)(2)
MIP Cash	Y	Reg. Z § 1026.4(b)(5)

Fee or Charge	Finance Charge	Citation
MIP Financed	Y	Reg. Z § 1026.4(b)(5)
MIP Refund	N	None
Mortgage Tax	N	Official Staff Commentary § 1026.4(a)-5(iii)
Non Prepaid Misc.	N	None
Notary Fee	N ³	Reg. Z § 1026.4(c)(7)(iii)
Other Insurance Premium	N ³	Reg. Z § 1026.4(d)(1)
Origination Fee	Y	Reg. Z § 1026.4(b)(3)
Prepaid Misc.	Y	None
Processing Fee	Y	Reg. Z § 1026.4(b)(2)
Quit Claim Fee	N ³	Reg. Z § 1026.4(c)(7)(ii)
Recording / Filing Fee	N ⁵	Official Staff Commentary § 1026.4(e)-1
RF Reconveyance Fee	N ³	Reg. Z § 1026.4(c)(7)(ii)
Redraw Fee	N ³	Reg. Z § 1026.4(c)(7)(ii)
Signer Fee	Y	Reg. Z § 1026.4(a)(2)
State Tax Stamps	N	Official Staff Commentary § 1026.4(a)-5(iii)
Sub Escrow Fee	Y	Reg. Z § 1026.4(a)(2)
Survey Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Tax Certificate Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Tax Service Fee	Y	Reg. Z § 1026.4(b)(2)
Termite Fee	N ³	Reg. Z § 1026.4(c)(7)(iv)
Tie In Fee	Y	Reg. Z § 1026.4(b)(3)
Title Binder Fee	Y	Reg. Z § 1026.4(c)(7)(i)
Title Document Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Title Exam Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Title Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Title Insurance	N ³	Reg. Z § 1026.4(c)(7)(i)
Trustee Fee	Y	Reg. Z § 1026.4(a)
TX Guaranty Fee	N ³	Reg. Z § 1026.4(c)(7)(i)
Underwriting Fee	Y	Reg. Z § 1026.4(b)(2)
Unemployment Insurance	N ¹	Reg. Z § 1026.4(d)(2)
VA Funding Fee	Y	Reg. Z § 1026.4(b)(2)
USDA Funding Fee	Y	Reg. Z § 1026.4(b)(2)
VA Funding Fee Cash	Y	Reg. Z § 1026.4(b)(2)
VA Funding Fee Financed	Y	Reg. Z § 1026.4(b)(2)
Verification Fee	Y	Reg. Z § 1026.4(b)(2)
Warehouse Fee	Y	Reg. Z § 1026.4(b)(2)
Wire Fee	Y	Reg. Z § 1026.4(b)(2)

¹ May be excluded from the Finance Charge if the following conditions are met: (i) The insurance coverage is not required by the creditor, and this fact is disclosed in writing; (ii) The premium for the initial term of insurance coverage is disclosed. If the term of insurance is less than the term of the transaction, the term of insurance also shall be disclosed. The premium may be disclosed on a unit-cost basis only in open-end credit transactions, closed-end credit transactions by mail or telephone under §1026.17(g), and certain closed-end credit transactions involving an insurance plan that limits the total amount of indebtedness subject to coverage; (iii) The consumer signs or initials an affirmative written request for the insurance after receiving the disclosures specified in this paragraph. Any consumer in the transaction may sign or initial the request.

² Not a finance charge when extended to all applicants.

³ Real-Estate Related Fees in a transaction secured by real property or in a residential mortgage transaction are excluded from Finance Charge, if the fees are bona fide and reasonable in amount.

⁴ May be excluded from the Finance Charge if the following conditions are met: (i) The insurance coverage may be obtained from a person of the consumer's choice, and this fact is disclosed; (ii) If the coverage is obtained from or through the creditor, the premium for the initial term of insurance coverage shall be disclosed. If the term of insurance is less than the term of the transaction, the term of insurance shall also be disclosed. The premium may be disclosed on a unit-cost basis only in open-end credit transactions, closed-end credit transactions by mail or telephone under §1026.17(g), and certain closed-end credit transactions involving an insurance plan that limits the total amount of indebtedness subject to coverage.

⁵ Not a Finance Charge if paid to a government entity.