LOAN SERVICING SOFT Fees For Borrowers

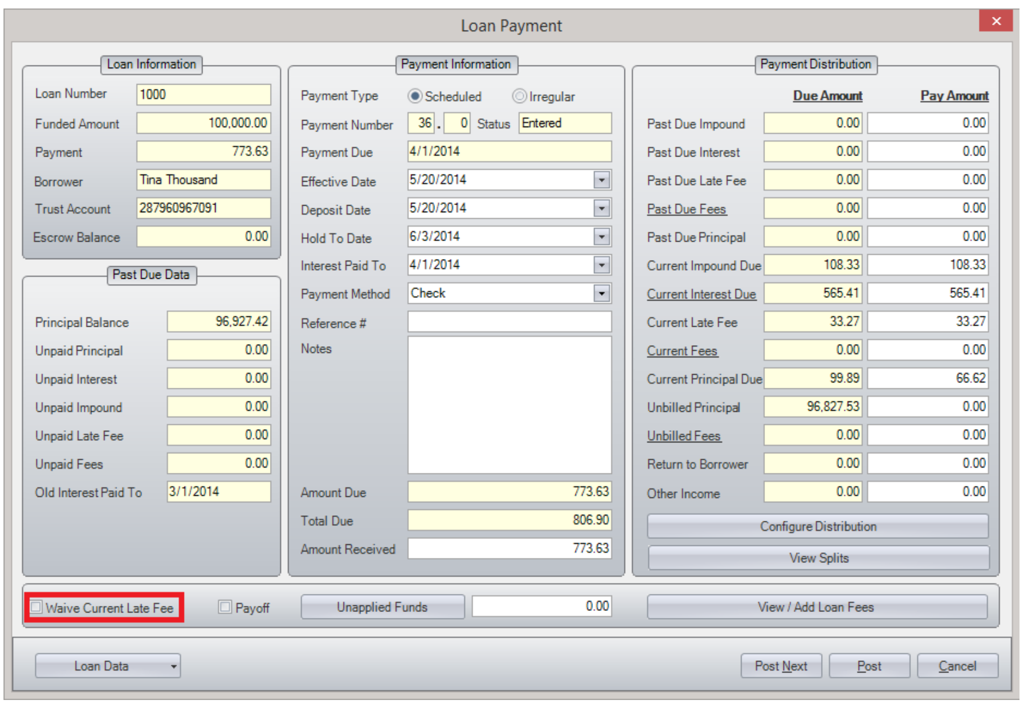
This document will guide you through the process of setting up and managing Fees For Borrowers in LOAN SERVICING SOFT. That is to say, fees charged to the borrowers.

For additional information and/or questions please feel free to contact our support group at support@loanservicingsoft.com or 1-800-993-1839 x2.

Several types of fees can be set up and applied to a borrower. We will discuss each fee type separately: Late Fees, NSF Fees, Pre-Payment Penalty Fees, Loan Fees and Borrower Fees.

Late Fees

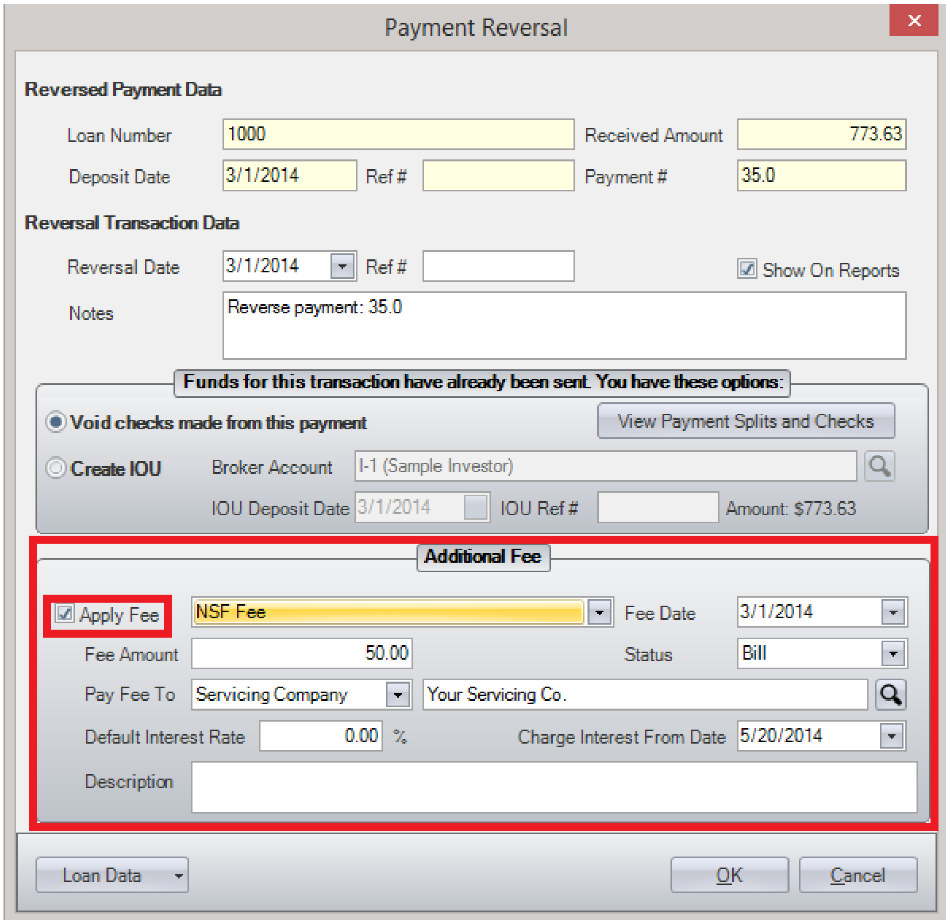
Late fees are automatically assessed on a loan when a payment is posted after the loans grace period has expired. Late fees can also be waived at the time payment processing by selecting the “Waive Current Late Fee” check box.



Late Fees are set up on a loan by loan basis on the right side of the Terms screen. Late Fees can also be added to loan templates.

NSF Fees

The option to charge a NSF Fee will always be provided at the bottom of the Payment Reversal screen. The NSF Fee can be assessed by selecting the “Apply Fee” checkbox at the bottom of the window.



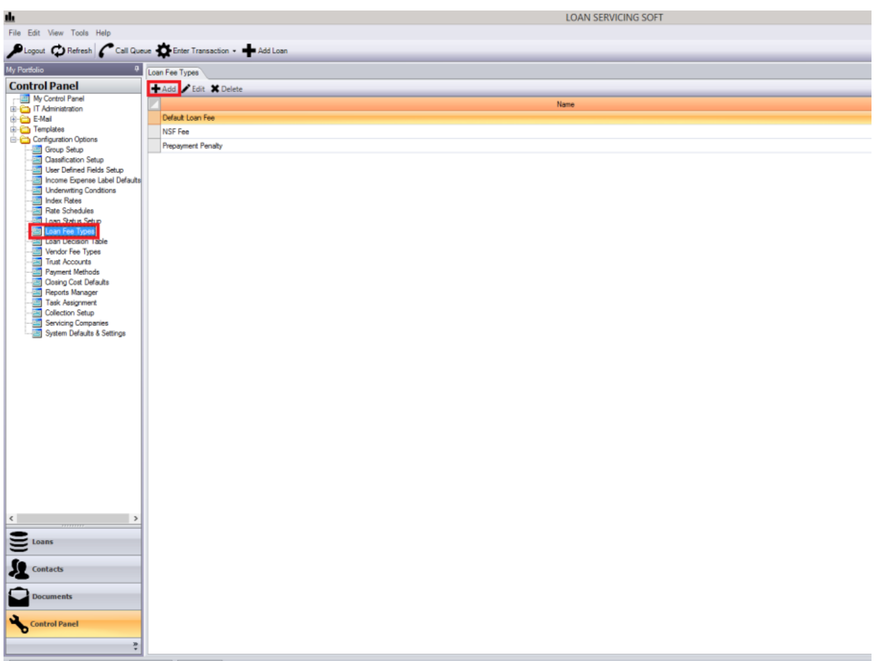
Pre-Payment Penalty Fees

Pre-Payment Penalty Fees can be set up on the right side of the Terms screen. To set up, click the Pre-Payment Penalty check box. Then next to the “if paid before” section enter a number for term periods. Then enter a dollar amount for Fixed Amount or a percentage for % of Loan Amount or % of Principal Balance. You may also enter a number for Terms of Interest on Loan Balance.

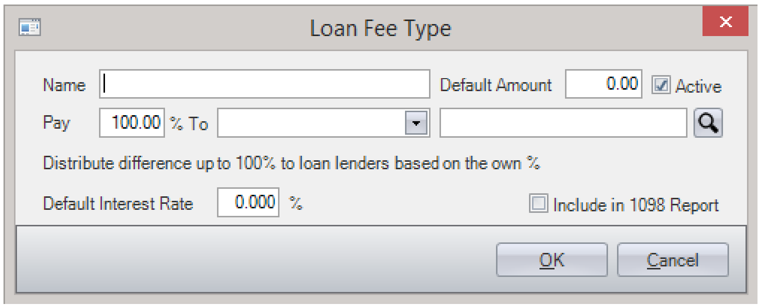
Loan Fees

Loan Fees can be manually assessed at any time and applied to the borrower’s amount due. The loan fee “Bill Type” is used to either include the fee on the borrower’s bills until paid by selecting “Bill,” or to defer until payoff with “Defer.” A loan fee can also be forgiven or waived at any time by entering a date in the Forgiven On field. Who the fee is remitted to or paid out to once it is paid by the borrower is also configurable. Additionally, fees can be set up to accrue interest at any interest rate and from any start date. To create a new Loan Fee, click the Data & Docs button in the bottom left corner of a loan screen, then select Loan Fees. You will then be presented with this screen.

You can also set up preconfigured Loan Fee Types by going to Control Panel, Configuration Options, Loan Fee Types.



Select Add and the dialog box will allow you to configure default settings for your new Loan Fee Type: Default name, amount, payee, whether to charge interest and the interest rate on the fee from assessment date to paid date. All can be pre-configured.



Borrower Fees

Recurring fees to the borrower can be set up on the Vendor screen. Example: This can be used for automatically adding a fee to all of the borrowers payments due - like for a paper statement fee.

To set up a Borrower Fee go to the Vendor screen, click Search to locate your Servicing Company vendor contact, then select your Servicing Company - this is who the fee will be paid to, then select “Borrower” from the “Bill From” drop down menu, then enter your fee amount in the “Fee” field, and then click “Save” at the bottom right corner of the screen to exit.