Mrs. SULLIVAN. Thank you.

Mr. BARR. With regard to housing costs, I submit for the record the two statements supplied by the Federal Housing Administration which satisfy me that guidelines are sufficiently clear for the administrative agency to prescribe rules and regulations which would be within the intent of the bill and would be welcome by the housing finance industry.

(The material referred to follows:)

FHA STATEMENTS PERTAINING TO COSTS INCIDENT TO CLOSING ON REAL ESTATE

Items	Incident to extension of credit	Not incident to extension of credit
1. Lender's fee	X	
2. Title examination (or continuation of abstract or attorney's opinion)		X
3. Survey (physical viewing by lender)	X	
4. Appraisal	X	
5. Construction loans—inspection and escrow company charges	X	
6. Property inspection	X	
7. Title insurance:		
Coverage of mortgage amount	X	
Coverage of mortgagor's equity		X
8. Preparation of instruments:		
Deed		X
Mortgage	X	
9. Settlement charge (assuming this is a fee for preparing the settlement statement and related services other than attorney's).		X
10. Recording costs:		
Mortgage	X	
Deed		X
11. Apportionment of taxes and assessments		X
12. Apportionment of initial premium for fire and casualty insurance		X
13. Broker's fee (if broker obtains financing for borrower or some service of that nature)	X	
14. Escrows for future payments of taxes, insurance (including both casualty and life of borrower).		X
15. Adjustments of purchase price resulting from supplemental agreements between vendor and vendee, or vendee and others (additions to or subtractions from purchase price because of inclusion or exclusion of items, such as drapes or carpeting).		X
16. Local transfer or ad valorem taxes		X
17. Notary fee:		
Mortgage	X	
Deed		X
18. Revenue stamps		X
19. Credit report	X	
20. Points or discounts[1]	X	
21. FHA insurance	X	
22. Insurance on property over terms of mortgage		X
23. Maintenance and repairs		X

[1] FHA and VA do not permit home purchasers to pay discounts.

I hope that this information will be of assistance to your committee in its consideration of the truth-in-lending bill.

Sincerely yours,

MILTON P. SEMER, *General Counsel.*

Senator BENNETT. Just for the record, some of these charges which we agree are incident are not included in the statement that you have made, are not included in the printed form that Mr. Hardy presented to us. They are outside it.

There is just one other area on which I would like to build a very brief record.

Mr. SEMER. Senator Bennett, if you are going to turn to something else, I think it might be helpful on this point to show: What should a roster of items be to which your question should be directed? I think that is——

Senator BENNETT. That is what I am trying to get at.

Mr. SEMER. Because you have a closing sheet there which might have some local jargon in it which might not be typical.

Senator BENNETT. Right. I am just interested in a general list which can be generally applicable.

Mr. SEMER. Yes.

In response to a question in a letter that Senator Douglas sent us on December 21 of last year, "What kinds of charges are permitted under State laws?" This is what we were referring to earlier——