

HIGH COST LOAN LAW COMPARISON

FEDERAL LAW				
State(s)	Citation(s)	Parameters & Thresholds		Remarks
ALL STATES	15 USC §1602(aa) 12 CFR §226.32	Loan Type(s):	Refinances only	
		Occupancy / Property Type:	Owner-occupied, principal residence	
		Loan Amount Threshold:	None. Applies to all loan amounts.	
		1st TD Rate Threshold:	APR Greater than 8% over the comparable maturity Treasury Security (CMTS)	
		2nd TD Rate Threshold:	APR Greater than 10% over the comparable maturity Treasury Security (CMTS)	
		Points and Fees Threshold:	Exceed the greater of 8% of the amount financed or \$400 (adjusted annually)	
STATE LAWS				
Section 32 States where Law Applies to PURCHASE & REFINANCE				
State	Citation(s)	Comparison to Section 32		Remarks
California	Cal.Fin.Code §4970	Loan Type(s):	Purchase & Refinance	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Tied to FNMA Single Family conforming loan amount	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Lower than §32: APR greater than 8% over CMTS	
		Points and Fees Threshold:	Lower than §32 & no \$ amount: Exceeds 6% of the amount financed	More conservative: Equal to or greater than 6% of the amount financed
Connecticut	Conn.Gen.Stat. §36a-746a	Loan Types(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Same as §32	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	No points and fees threshold	
Georgia	Ga.Code §7-6A-1 et seq.	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Tied to FNMA Single Family conforming loan amount	
		1st TD Rate Threshold:	Lower than §32: APR equal to or greater than 8% over CMTS	
		2nd TD Rate Threshold:	Lower than §32: APR equal to or greater than 10% over CMTS	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Greater than 5% if amount financed is equal to or greater than \$20,000; Lesser of 8% or \$1,000 if amount financed is less than \$20,000	
Indiana	IC §24-9-2-8	Loan Types(s):	Purchase & Refinance	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Tied to FNMA Single Family conforming loan amount	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 5% if amount financed is equal to or greater than \$40,000; Exceed 6% if amount financed is less than \$40,000	
Kentucky	KRS 360.100 et seq.	Loan Type(s):	Purchase & Refinance	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Applies to loans greater than \$15,000 and equal to or less than \$200,000	More conservative: Equal to or greater than \$15K
		1st TD Rate Threshold:	Same as §32	More conservative: APR equal to or greater than 8% over CMTS
		2nd TD Rate Threshold:	Same as §32	More conservative: APR equal to or greater than 10% over CMTS
		Points and Fees Threshold:	Same as §32	More conservative: Equal to or greater than 8% of the amount financed

HIGH COST LOAN LAW COMPARISON

STATE LAWS, continued				
Section 32 States where Law Applies to PURCHASE & REFINANCE				
State	Citation(s)	Comparison to Section 32	Remarks	
Massachusetts	MA Gen.Laws §183C 209 CMR 32.32	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Same as §32	
		1st TD Rate Threshold:	Same as §32	More conservative: APR equal to or greater than 8% over CMTS
		2nd TD Rate Threshold:	Lower than §32: APR greater than 9% over CMTS	More conservative: APR equal to or greater than 9% over CMTS
		Points and Fees Threshold:	Lower than §32: Exceed the greater of 5% of the amount financed or \$400 (adjusted annually)	More conservative: Equal to or greater than 5% of the amount financed
New Jersey	NJ Stat.Ann. §46:B-24	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Applies to owner-occupied, primary residence 1-6 units	
		Loan Amount Threshold:	Applies to loans equal to or less than \$ amount (adjusted annually)	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 4.5% if amount financed is equal to or greater than \$40,000; Exceeds 6% if the amount financed is less than \$40,000 but equal to or greater than \$20,000; Exceeds the lesser of 6% or \$1,000 if amount financed is less than \$20,000	
New Mexico	NMSA §58-21A-3	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Tied to FMNA Single Family conforming loan amount	
		1st TD Rate Threshold:	Lower than §32: APR greater than 7% over CMTS	
		2nd TD Rate Threshold:	Lower than §32: APR greater than 9% over CMTS	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceeds 5% if the principal loan amount is equal to or greater than \$20,000; Exceeds the lesser of 8% or \$1,000 if the principal loan amount is less than \$20,000	
New York	Banking Law §6-1 3 NYCRR, Part 41	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	The lesser of \$300,000 or the FNMA conforming loan amount for the appropriate # of units.	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Lower than §32: APR equal to or greater than 9% over CMTS	
		Points and Fees Threshold:	Lower than §32/ Sliding scale: Exceed 5% if amount financed exceeds \$50,000; The greater of 6% or \$1,500 if the amount financed is less than \$50,000	
North Carolina	NC Gen.Stat. §24-1.1E	Loan Type(s):	Purchase, Refinance & HELOC's	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	The lesser of \$300,000 or the FNMA Single Family conforming loan amt.	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 5% if amount financed is equal to or greater than \$20,000; Lesser of 8% or \$1,000 if the amount financed is less than \$20,000	

HIGH COST LOAN LAW COMPARISON

STATE LAWS, continued			
Section 32 States where Law Applies to PURCHASE & REFINANCE			
State	Citation(s)	Comparison to Section 32	Remarks
Rhode Island (effective 12-31-06)	RI Gen. Laws §34-25.2	Loan Type(s):	Purchase, Refinance & HELOC's
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Promissory Note Rate equal to or greater than 8% over CMTS
		2nd TD Rate Threshold:	Promissory Note Rate equal to or greater than 9% over CMTS
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 5% if principal loan amount is equal to or greater than \$50,000; Exceed 8% if principal loan amount is less than \$50,000
South Carolina	SC Code §37-23-20	Loan Type(s):	Purchase & Refinance
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Tied to FNMA Single Family conforming loan amount
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Lower than §32/ Sliding scale: Exceed 5% if the amount financed is equal to or greater than \$20,000; Lesser of 8% or \$1,000 if amount financed is less than \$20,000
Texas	TX Fin.Code §343.201	Loan Type(s):	Purchase & Refinance
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold(s):	Refinances: Applies to loans equal to or less than ½ the FNMA conforming loan amt. for the appropriate # of units. Purchases: Applies to loans equal to or greater than \$20,000 & equal to or less than ½ the FNMA conforming loan amt. for the appropriate # of units.
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32
Utah	UT Code Ann. §61-2d-102	Loan Type(s):	Purchase & Refinance
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32

HIGH COST LOAN LAW COMPARISON

Section 32 States where Law Applies to REFINANCE ONLY			
State	Citation(s)	Comparison to Section 32	Remarks
Arkansas	Ark. Code §23-53-103	Loan Type(s):	Refinances & HELOC's, exclude FHA, VA, FNMA, & FHLMC
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Applies to loans equal to or less than \$150,000
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 5% if the amount financed is equal to or greater than \$75,000; Exceed 6% if the amount financed is less than \$75,000 but greater than \$20,000; Exceed 8% if the amount financed is equal to or less than \$20,000
Colorado	Co.Rev.Stat. §5-3.5-101	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Lower than §32 & no \$ amount: Exceed 6% of the amount financed
District of Columbia	DC Code Ann. §26-1151.01	Loan Type(s):	Refinances & HELOC's, exclude FHA & VA
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Tied to FNMA conforming loan amount for the appropriate # of units
		1st TD Rate Threshold:	Lower than §32: APR greater than 6% over CMTS
		2nd TD Rate Threshold:	Lower than §32: APR greater than 7% over CMTS
		Points and Fees Threshold:	Lower than §32 & no \$ amount: Exceed 5% of the amount financed
Florida	Fl.Stat. §494.0079	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32
Illinois	815 ILCS §137/10 1050 Ill.Adm.Code §100 et seq.	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Lower than §32: APR greater than 6% over CMTS
		2nd TD Rate Threshold:	Lower than §32: APR greater than 8% over CMTS
		Points and Fees Threshold:	Lower than §32: Exceed the greater of 5% of amount financed or \$800 (adjusted annually)

HIGH COST LOAN LAW COMPARISON

STATE LAWS, continued			
Section 32 States where Law Applies to REFINANCE ONLY			
State	Citation(s)	Comparison to Section 32	Remarks
Maine	9-A MRSA §8-103	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32
Maryland	Md.Code Ann. §12-124.1(a)(2)	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Lower than §32: APR greater than 7% over CMTS
		2nd TD Rate Threshold:	Lower than §32: APR greater than 9% over CMTS
		Points and Fees Threshold:	Lower than §32: Exceeds the greater of 7% of amount financed or \$400 (adjusted annually)
Nevada	NRS 598D.040	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32
New Hampshire	NH Rev.Stat. §397-A:2	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32
Ohio (changing 1-1-07) (see also Cleveland local HCM)	OH Rev.Code §1349.25	Loan Type(s):	Will include HELOC's effective 1-1-07
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	(1-1-07) Lower than §32 / Sliding scale: Exceeds 5% if "total loan amount" is equal to or greater than \$25,000; Exceeds 8% is the "total loan amount" is less than \$25,000
Oklahoma	OK Stat.Ann. 14A, §1-301(10)(a)	Loan Type(s):	Same as §32
		Occupancy / Property Type:	Same as §32
		Loan Amount Threshold:	Same as §32
		1st TD Rate Threshold:	Same as §32
		2nd TD Rate Threshold:	Same as §32
		Points and Fees Threshold:	Same as §32

HIGH COST LOAN LAW COMPARISON

STATE LAWS, continued				
Section 32 States where Law Applies to REFINANCE ONLY				
State	Citation(s)	Comparison to Section 32		Remarks
Pennsylvania	63 P.S. §456.503	Loan Type(s):	Same as §32	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Applies to loans less than \$100,000	More conservative: Equal to or less than \$100K
		1st TD Rate Threshold:	Same as §32	More conservative: APR equal to or greater than 8% over CMTS
		2nd TD Rate Threshold:	Same as §32	More conservative: APR equal to or greater than 10% over CMTS
		Points and Fees Threshold:	Same as §32	More conservative: Equal to or greater than 8% of the amount financed
Tennessee (effective 1-1-07)	TN Code Title 47	Loan Type(s):	Refinance, exclude FHA & VA	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Applies to loans equal to or less than \$350,000	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	Lower than §32 / Sliding scale: Exceed 5% if amount financed is greater than \$30,000; Exceed 8% if amount financed is equal to or less than \$30,000	
Wisconsin	Wis.Stat. §428.202(2) DFI-Bkg 46	Loan Type(s):	Same as §32	
		Occupancy / Property Type:	Same as §32	
		Loan Amount Threshold:	Same as §32	
		1st TD Rate Threshold:	Same as §32	
		2nd TD Rate Threshold:	Same as §32	
		Points and Fees Threshold:	Lower than §32: Exceeds 6% of the amount financed	More conservative: Equal to or greater than 6% of the amount financed
Non-Section 32 States				
State	Citation(s)	Comparison to Section 32		Remarks
Michigan	MCLA §445.1631, et seq.	Loan Type(s)	Refinance only	
		Occupancy / Property Type:	Primary residence, 1-4 unit, 1st or 2nd lien.	
		Loan Amount Threshold:	None.	
		1st TD Rate Threshold:	None.	
		2nd TD Rate Threshold:	None.	
		Points and Fees Threshold:	None.	
		Other	Prohibited Acts & a Disclosure requirement only.	
Minnesota	MN Stat. Ann. §58.137	Loan Type(s)	Purchase, Refinance & HELOC's, exclude FHA & VA	
		Occupancy / Property Type:	Applies to all owner occupied, primary residence, 2nd or vacation home, 1-4 unit, 1st or 2nd lien transactions.	
		Loan Amount Threshold:	None.	
		1st TD Rate Threshold:	No threshold.	
		2nd TD Rate Threshold:	No threshold.	
		Points and Fees Threshold:	Exceeding 5% of the amount financed.	More conservative: Equal to or greater than 5% of the amount financed
Vermont	9 VSA §104 Reg. B-98-2	Loan Type(s)	Purchase and Refinance	
		Occupancy / Property Type:	All 1st TD, regardless of occupancy or property type	
		Loan Amount Threshold:	None. Applies to all 1st TD loans, regardless of loan amount	
		1st TD Rate Threshold:	Greater than 3% over the "Established Rate"	
		2nd TD Rate Threshold:	N/A. Law does not apply to 2nd TD	
		Points and Fees Threshold:	Exceed 4 points (fees not included), no \$ amount	

HIGH COST LOAN LAW COMPARISON

STATE LAWS, continued				
Non-Section 32 States				
State	Citation(s)	Comparison to Section 32		Remarks
Virginia	VA Code Ann. §6.1-422.1(B)	Loan Type(s)	Refinance only (see prohibition on "flipping")	
		Occupancy / Property Type:	All	
		Loan Amount Threshold:	None.	
		1st TD Rate Threshold:	None.	
		2nd TD Rate Threshold:	None.	
		Points and Fees Threshold:	None.	
	Other	Prohibited Acts only: "Flipping" - refinancing w/in 12 months when borrower does not benefit.		
West Virginia	WV Code §31-17-8(m)(4)	Loan Type(s)	Purchase and Refinance	
		Occupancy / Property Type:	Applies to all owner occupied 1st or 2nd lien mortgage loan transactions.	
		Loan Amount Threshold:	None.	
		1st TD Rate Threshold:	None. However, if APR exceeds 18% then Broker cannot be paid a YSP.	
		2nd TD Rate Threshold:	None.	
		Points and Fees Threshold:	No threshold. Pts and fees may not exceed 6% of amount financed. However, if no YSP, then max. pts and fees is 5% of amount financed.	
	Other	Tangible net benefit test for Refinance loans.		
LOCAL LAWS / ORDINANCES				
Locality	Citation(s)	Comparison to Section 32		Remarks
Cleveland, OH	Cleveland Code Pt. 6, §659.01	Loan Type(s)	Purchase, Refinance, & HELOC's	
		Occupancy / Property Type:	1-4 unit, owner-occupied properties, including second and vacation homes.	
		Loan Amount Threshold:	Same as §32 & OH	
		1st TD Rate Threshold:	Lower than §32 & OH: APR equal to or greater than 4½% over CMTS	
		2nd TD Rate Threshold:	Lower than §32 & OH: APR equal to or greater than 6½% over CMTS	
		Points and Fees Threshold:	Lower than §32 & OH / sliding scale: Greater than 4% on loans with amount financed equal to or greater than \$16K, or greater than \$800 on loans with amount financed less than \$16K.	
		More conservative: Equal to or greater than 4% of the amount financed		