



STATE OF SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS

HIGH COST LOAN CHECKLIST

Mailing Address
P.O. Box 5757
Columbia, SC 29250-5757

S.C. Code Ann. § 37-23-10 et seq. (Supp. 2004)
www.sconsumer.gov
803-734-4236/800-922-1594

Street Address
3600 Forest Drive, 3rd Floor
Columbia, SC 29204-4006

Mortgage Broker/Lender

Borrower

Name: _____
Address: _____
City, State Zip: _____
Phone: _____

Name: _____
Address: _____
City, State Zip: _____
Phone: _____

CHECKLIST BORROWER'S INDIVIDUAL CIRCUMSTANCES

- | | | | |
|--|-------|---|-------|
| 1. Purpose of loan | _____ | 2. Borrower's credit history | _____ |
| 3. History of repeated refinancing | _____ | 4. Amount of equity in home | _____ |
| 5. Borrower's ability to repay | _____ | 6. Did the borrower shop or compare rates and terms with other lenders? | _____ |
| 7. Explain: Right to cancel within three days in refinancing transactions only | _____ | 8. Credit Score | _____ |

LOAN TERMS

- | | | | |
|---|-------|--|--|
| 9. Amount of Loan | _____ | 10. Interest rate or APR | _____ |
| 11. Whether fixed or variable rate | _____ | 12. Term (duration) of loan | _____ |
| 13. Monthly payment amount (including whether this amount is subject to change) | _____ | 14. a. Real Estate <input type="checkbox"/> | |
| 15. Lien position of loan (1st, 2nd, etc) | _____ | b. Manufactured Housing <input type="checkbox"/> | |
| | | 16. Is this loan a refinance? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

LOAN FEES

- | | | | |
|--------------------------|-------|--|-------|
| 16. Loan origination fee | _____ | 17. Discount points | _____ |
| 18. Commitment fee | _____ | 19. Broker compensation – ALL broker compensation including yield spread premium | _____ |
| 20. Loan application fee | _____ | 21. Other lender fee | _____ |

PROHIBITED TERMS:

A high-cost home loan **cannot** contain the following terms:

- | | | | |
|--|-------|--|-------|
| 22. Prepayment penalty – Not permitted on loans of \$150,000 or less | _____ | 23. Credit insurance—can not be financed | _____ |
| 24. Balloon payment | _____ | 26. Points and fees over 2.5% cannot be financed, even if financing or refinancing with a different lender | _____ |
| 25. Points and fees cannot be charged if refinancing an existing high cost loan with the same lender | _____ | | |

If the loan appears to contain any of the above terms, it may violate the South Carolina High Cost and Consumer Home Loan Act. (There are other prohibitions, but only the key prohibitions are listed above.) You should notify the borrower, the lender and the S.C. Department of Consumer Affairs that the loan terms appear to be illegal.

MANDATORY COUNSELING CERTIFICATION

I am a South Carolina State Housing Finance and Development Authority approved counselor and certify that counseling has been provided on the advisability of this loan transaction and its appropriateness for the borrower.

Signature of Counselor _____
Address: _____

Date _____
Phone No. _____