

# 2021 Higher Priced Mortgage Loan Worksheet

**Primary Borrower Name**

**Joint Borrower**

**Guarantor/Co-Signer**

**Member Number**

**Loan ID**

**Loan Officer**

**Is this a covered loan?**

This loan is a closed-end 1st-lien loan secured by a consumer's principal dwelling.

This loan is a closed-end subordinate lien secured by a consumer's principal dwelling.

Determine the rate spread using the [Rate Spread Calculator](#)

**1st-Lien Closed End Loan**

**Lock-in/Approval Date**

**Loan Rate**

**Rate Spread**

This loan is a Higher Priced Mortgage Loan (rate spread is 1.5 percentage points or more).

This loan is a Higher Priced Mortgage Loan (Jumbo loan and rate spread is 2.5 percentage points or more).

This loan is not a Higher Priced Mortgage Loan - STOP HERE

**Prepayment Penalties** (FCUs and PA state-chartered CUs are not authorized to charge prepayment penalties)

There are no prepayment penalties. Go to ATR.

There are prepayment penalties (all of the following must be checked).

The penalty only applies during 1st two years of the loan.

The Credit Union is not the original creditor nor an affiliate of the original creditor.

The periodic payment of P&I does not change in the first four years.

**Ability to Repay**

Ability to Repay Worksheet is complete and in file.

**Balloon Payment**

This loan does not have a Balloon Payment during the first seven years. Go to Escrow.

This loan has a Balloon Payment during the first seven years.

The borrower will likely be able to satisfy the balloon payment obligation by refinancing the loan or through income or assets other than the collateral.

**Escrow**

To qualify for the Small Creditor Exemption from the TILA HPML Escrow Rule, the Credit Union must meet a three-part test for asset size, loan volume and area of operation. If the Credit Union checks all three then they are exempt from the mandatory escrow requirements. Note: The Credit Union will still have to comply with the other requirements under the Rule.

The Credit Union had assets of \$10 billion or less as of December 31, 2020; and

The Credit Union together with its affiliates extended no more than 1,000 1st lien covered loans during the preceding calendar year; and

The Credit Union originated a first lien loan on a property in a rural and underserved area in the preceding calendar year (a list of rural and underserved counties can be found at <https://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/rural-and-underserved-counties-list/>)

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## Does the credit union meet all three of the above requirements?

Yes – The credit union is exempt from the mandatory escrow requirements. Note: The Credit Union will still have to comply with the other requirements under the Rule.

No – An Escrow Account for taxes and insurance will be established for five years.

## Appraisals

N/A if Qualified Mortgage (see ATR/QM Worksheet).

HPML Appraisal disclosure provided within three days of application.

Written interior appraisal by licensed/certified appraiser ordered.

Free copy of appraisal supplied to borrower no later than three days prior to consummation.

Second appraisal ordered due to 180 day 'flip'.

## Subordinate-Lien Closed End Loan

### Lock-in/Approval Date

### Loan Rate

### Rate Spread

This loan is a Higher Priced Mortgage Loan (rate spread is 3.5 percentage points or more).

## Prepayment Penalties (FCUs and PA state-chartered CUs are not authorized to charge prepayment penalties)

There are no prepayment penalties. Go to ATR.

There are prepayment penalties (all of the following must be checked).

The penalty only applies during 1st two years of the loan.

The Credit Union is not the original creditor nor an affiliate of the original creditor.

The periodic payment of P&I does not change in the first four years.

## Ability to Repay

Ability to Repay Worksheet is complete and in file.

## Balloon Payment

This loan does not have a Balloon Payment during the first seven years.

This loan has a Balloon Payment during the first seven years.

The DTI was calculated using the balloon payment amount.

## Appraisals

N/A if Qualified Mortgage (see ATR/QM Worksheet).

HPML Appraisal disclosure provided within three days of application.

Written interior appraisal by licensed/certified appraiser ordered.

Free copy of appraisal supplied to borrower no later than three days prior to consummation.

Second appraisal ordered due to 180 day 'flip'.

## Comments