HIGH COST LOAN CHECKLIST
www.consumer.sc.gov
(803) 734-4294

Mortgage Broker/Lender
Name: __________________________ Name: __________________________
Address: _______________________ Address: _________________________
City, State Zip: __________________ City, State Zip: __________________
Phone: _________________________ 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
b. Manufactured Housing
15. Lien position of loan (1st, 2nd, etc)
16. Is this loan a refinance? () Yes () No

LOAN FEES

16. Loan origination fee
17. Discount points
18. Commitment fee
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 $255,000 or less
23. Credit insurance—cannot be financed
24. Balloon payment
25. If refinancing with the same lender, points and fees cannot be charged
26. If financing or refinancing with a different lender, points or fees over 2.5% cannot be financed
27. If refinancing an already high cost loan with same lender, points or fees cannot be charged

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 __________________________ Date ____________
Address: __________________________ Phone No. __________________________

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Rev. 06/15
Page 1 of 1