

District of Columbia

STATE HIGH COST/PREDATORY LENDING REGULATIONS

Last Updated: May 2016

LAW: Home Loan Protection Act of 2002 (Division V, Title 26, Chapter 11A)

LOAN AMOUNT COVERED: FNMA Loan Limits

BORROWERS COVERED:

- | | | | |
|-------------------------------------|---------------|-------------------------------------|--------|
| <input checked="" type="checkbox"/> | Individuals | <input checked="" type="checkbox"/> | Trusts |
| <input type="checkbox"/> | Organizations | <input type="checkbox"/> | Other: |

TOTAL LOAN AMOUNT (TLA) IS DEFINED AS: US § 1026.32

- | | | | |
|-------------------------------------|--|--------------------------|-------------|
| <input type="checkbox"/> | Loan Amount as defined in HOEPA 226.32 | <input type="checkbox"/> | Note Amount |
| <input checked="" type="checkbox"/> | Loan Amount as defined in HCML 1026.32 | <input type="checkbox"/> | Other: |

LOAN TYPES COVERED:

- | | | | |
|-------------------------------------|--------------|-------------------------------------|-----|
| <input checked="" type="checkbox"/> | Conventional | <input type="checkbox"/> | FHA |
| <input type="checkbox"/> | VA | <input checked="" type="checkbox"/> | RHS |
| <input type="checkbox"/> | Other: | | |

LOAN PURPOSES COVERED:

- | | | | |
|-------------------------------------|----------------------------|-------------------------------------|------------------------------------|
| <input type="checkbox"/> | Purchase | <input checked="" type="checkbox"/> | Construction to Perm |
| <input type="checkbox"/> | Builder | <input checked="" type="checkbox"/> | Refinance |
| <input checked="" type="checkbox"/> | Equity Out | <input checked="" type="checkbox"/> | Home Equity Closed End |
| <input type="checkbox"/> | One Time Closing | <input type="checkbox"/> | Modification |
| <input type="checkbox"/> | Purchase Plus Improvements | <input checked="" type="checkbox"/> | Refinance Plus Improvements |
| <input type="checkbox"/> | Lot Loan | <input checked="" type="checkbox"/> | Home Improvement |
| <input type="checkbox"/> | Borrower Interim | <input type="checkbox"/> | One Time Closing with Modification |
| <input checked="" type="checkbox"/> | HELOC | <input type="checkbox"/> | Assumption |

BRIDGE LOANS COVERED

- | | | | |
|-------------------------------------|-----|--------------------------|----|
| <input checked="" type="checkbox"/> | Yes | <input type="checkbox"/> | No |
|-------------------------------------|-----|--------------------------|----|

PROPERTY OCCUPANCY COVERED:

- | | | | |
|-------------------------------------|-------------------|--------------------------|-------------|
| <input checked="" type="checkbox"/> | Primary Residence | <input type="checkbox"/> | Second Home |
| <input type="checkbox"/> | Investment | <input type="checkbox"/> | Raw Land |

APR THRESHOLDS: <http://law.justia.com/codes/district-of-columbia/2012/division-v/title-26/chapter-11a/subchapter-i/section-26-1151-01.html>

- | | | | | | |
|-------------------------------------|-----|--------------------------|--------------|--------------------------|--------|
| <input checked="" type="checkbox"/> | APR | <input type="checkbox"/> | Unteased APR | <input type="checkbox"/> | Other: |
|-------------------------------------|-----|--------------------------|--------------|--------------------------|--------|

First Lien: 6 %

Subordinate Lien: 7 %

APR COMPARED AGAINST: Division V, Title 26, Chapter 11A

- | | | | |
|-------------------------------------|----------------|--------------------------|------------|
| <input type="checkbox"/> | APOR | <input type="checkbox"/> | APR Itself |
| <input checked="" type="checkbox"/> | Treasury Yield | <input type="checkbox"/> | Other: |

DATE FOR APR TEST: Division V, Title 26, Chapter 11A

<input type="checkbox"/>	Application	<input type="checkbox"/>	Closing
<input checked="" type="checkbox"/>	Other: 15 th day of the month immediately preceding the month in which the application for the loan is received by the creditor		

FEE TEST METHOD: Division V, Title 26, Chapter 11A

<input type="checkbox"/>	Use HC Flag
<input type="checkbox"/>	Use APR & Paid To (§1026.32)
<input checked="" type="checkbox"/>	Use APR & Paid To, except: all fees payable by the borrower at or before loan closing

FEE TEST THRESHOLDS: Division V, Title 26, Chapter 11A

All Liens: > 5% of TLA

ADJUSTMENTS:

<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	How:
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FEES INCLUDED IN TEST: Division V, Title 26, Chapter 11A

"Bona fide loan discount points" means loan discount points which are knowingly paid by the borrower for the express purpose of reducing, and which reduce, the annual percentage rate.. This does not exempt bona fide discount points from the calculations in the APR and fee tests.

"Origination/discount points and fees" means points and fees as defined in 12 C.F.R. §226.32(b).

All fees payable by the borrower at or before loan closing

OTHER ITEMS TO BE TESTED/CONSIDERED:

SPECIAL NOTES: Division V, Title 26, Chapter 11A

Prohibited Practices (Section 26-1152.01 to Section 26-1152.23)

- [Section 26-1152.01](#) — Applicability
- [Section 26-1152.02](#) — Insufficient repayment ability
- [Section 26-1152.03](#) — Restrictions on the financing of single-premium credit insurance
- [Section 26-1152.04](#) — Restriction on financing origination/discount points and fees
- [Section 26-1152.05](#) — No encouragement of default
- [Section 26-1152.06](#) — Unfair steering or improper use of credit scores
- [Section 26-1152.07](#) — Failing to report favorable payment record
- [Section 26-1152.08](#) — Home improvement contracts
- [Section 26-1152.09](#) — No increase in interest rate upon default
- [Section 26-1152.10](#) — Charges in bad faith
- [Section 26-1152.11](#) — Failure to timely send disclosure notice
- [Section 26-1152.12](#) — Prepayment premium, fee or charge
- [Section 26-1152.13](#) — Limitations on balloon payments
- [Section 26-1152.14](#) — No call provision
- [Section 26-1152.15](#) — No negative amortization
- [Section 26-1152.16](#) — No advance payments
- [Section 26-1152.17](#) — No advance waivers

- [Section 26-1152.18](#) — No oppressive mandatory arbitration clause
- [Section 26-1152.19](#) — Homeownership counseling
- [Section 26-1152.20](#) — Broker licenser
- [Section 26-1152.21](#) — Filing requirements
- [Section 26-1152.22](#) — Suspect settlement service providers
- [Section 26-1152.23](#) — Median family income