

Compliance Focus Areas – Colorado

Application Disclosures

Tangible Net Benefit Disclosure

- Verify dated within three (3) days of 1003.
- This disclosure must be signed by both the borrower and loan officer.

Addendum to Residential Mortgage Loan Application (a/k/a Domestic Partner Disclosure)

- If separate disclosure from 1003, confirm dated prior to closing.
- Not required if Borrower is married.

Marital Rights

- Colorado is **not** a community property state.
- Non-borrowing titled spouses are required to sign the Mortgage, CD and Right of Rescission (if applicable) on homestead and non-homestead property.
- Non-borrowing non-titled spouses do not need to sign on non-homestead property.
- On homestead property, non-borrowing, non-titled spouse would not need to sign unless the owner of the property or the spouse of such owner records with the county clerk an instrument in writing describing the property, setting forth the nature and source of the owner's interest therein and stating that the owner or the owner's spouse is homesteading such property, then both spouses must sign conveyance or encumbrance. Need to confirm that no such instrument exists on homestead property in this situation.

Predatory Lending

UWM does not purchase high-cost loans. Colorado's high cost laws mirror the federal Homeowners Equity Protection Act requirement.

Closing Practices

Colorado has a wet settlement law. Funds must be presented to the closing agent no later than closing.