

Compliance Focus Areas – District of Columbia

Application Disclosures

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

- If separate disclosure from 1003, confirm dated prior to closing.
- This is not required where borrower is married.

Mortgage Disclosure Form

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to UW for broker loans.
- Must be signed by Borrower and Lender.
- Applies to ARM loans only.

District of Columbia License Number

- District of Columbia requires the DC license number held by the Mortgage Loan Originator and the Mortgage Loan Originator's Company to be disclosed at the time of application.
 - Need to include both NMLS license number and specific District of Columbia license number.
 - Document disclosing license numbers must be signed/initialed by borrower to demonstrate acknowledgement.

Fulfillment Disclosure

Final Financing Agreement

- Final Financing Agreement must be provided to borrowers at least three days prior to closing for all non-rescindable transactions.

Marital Rights

- The District of Columbia is not a community property jurisdiction.
- Non-borrowing titled and non-titled spouses are required to sign the Mortgage, CD and Right of Rescission (if applicable) on homestead property. Non-borrowing non titled spouses on not required to sign on non-homestead property.

Predatory Lending

- UWM does not originate or purchase high-cost loans. A high cost loan ("covered loan") is defined in DC as a loan where (1) the APR exceeds the yield on comparable Treasuries by more than 6% for a first-line loan (7% for a subordinate lien); or (2) the origination/discount points and fees exceed 5% of the total loan amount.
- A "covered loan" does not include: purchase money loans; loans insured or guaranteed by a state or local authority, the D.C. Housing Finance Agency, the FHA, or the VA; and loans that exceed the conforming loan size limits of Fannie Mae and Freddie Mac.

Closing Practices

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