

Compliance Focus Areas – Iowa

Application Disclosures

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 the Borrower is married.

Payment Reduction Fee Disclosure

- Statute indicates this disclosure must be dated prior to accepting application. Verify dated on or before submission to UW for broker loans; on or before 1003 for retail/correspondent loans.
- Only required if discount points are being paid by Borrower.
- Not applicable on investment property.

Marital Rights

- Iowa is **not** a community property state.
- Non-borrowing titled and non-titled spouses are required to sign the Mortgage, CD and Right of Rescission (if applicable) on homestead property. If determined with certainty that property is non-homestead, then non-borrowing, non-titled spouse does not need to sign.

Predatory Lending

UWM does not purchase high-cost loans. Iowa has no laws or regulations specifically regulating so-called predatory lending activities.

Closing Practices

- Iowa does not have a wet settlement law. There are no statutes, rules, or regulations requiring the disbursement of funds at loan closing within any specified time period.
- Iowa law requires that title insurance be provided by the Iowa Finance Authority. No other provider is allowed to provide title insurance in this state.