

Compliance Focus Areas – Kentucky

Application Disclosures

Advanced Fee/Application Disclosure

- Statute provides no specific date requirement, but best practice is that this disclosure is dated on or before submission to underwriting.
- This disclosure is required for broker transactions only.

Marital Rights

- Kentucky 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 property is non-homestead, non-borrowing non-titled spouses need not sign but non-borrowing spouse must execute a “Release of Dower/Curtesy Rights.” Must also be able to determine with certainty that not homestead.

Predatory Lending

UWM does not purchase high-cost loans. A high cost loan is defined in KY as a loan with points and fees that exceed the greater of \$3,000 or 6% of the total loan amount.

Closing Practices

Kentucky does not have specific wet settlement law. However, the state is considered a wet funding state. General practice is for funds to be presented to the closing agent no later than closing.