

Compliance Focus Areas – North Carolina

Application Disclosures

NC Officer of the Commissioner of Banks Information From Your Mortgage Broker

- Must be dated prior to or within three days of the 1003.
- Must be signed by Broker and Borrower.
- Not required on retail/correspondent loans.

Notice of Information & Examples of Amortization of Home Loans

- Must be dated within three days of 1003 for retail/correspondent loans.
- Must be dated within three days of submission to underwriting for broker loans.
- Only applicable for loans with a principal amount less than \$300,000.

Marital Rights

- North Carolina is a **not** community property state.
- The signatures of both spouses are necessary on a mortgage in order to waive the “elective life estate” of either husband or wife.

Predatory Lending

UWM does not originate or purchase high-cost loans. In North Carolina a loan is considered high-cost if:

1. The total points and fees payable by the borrower at or before closing exceeds 5% of the loan amount; or
2. The lender can collect the prepayment fees/penalties more than 30 months after closing or if the fees exceed 2% of the amount prepaid.

Closing Practices

North Carolina is a wet settlement state. Funds must be presented to the closing agent no later than closing.