

Compliance Focus Areas – Tennessee

Application Disclosures

Advanced Fee/Application Disclosure

- Required if a deposit is required in connection with mortgage application. Deposits include fees paid to a broker, lender or third party service provider.
- Must be signed by the borrower and broker, or lender if retail/correspondent loan.
- Must be dated on or before the date the deposit was taken.

Tennessee License Number:

- State of Tennessee requires the Tennessee license number held by the Mortgage Loan Originator and the Mortgage Loan Originator's Company to be disclosed on the 1003.
 - Needs to include both NMLS license number and specific State of Tennessee license number.
 - Document disclosing license numbers must be signed/initialed by borrower to demonstrate acknowledgement

Marital Rights

- Tennessee is **not** a community property state.
- Non-borrowing spouses are required to sign the Mortgage, CD and Right of Rescission (if applicable). The exception to this rule is where it can be determined with certainty that the property is non-homestead, then the non-borrowing, non-titled spouse does not need to sign these documents.

Predatory Lending

UWM does not originate or purchase high-cost loans. A high-cost loan is defined as: Where the APR exceeds the interest rate on comparable US Treasury securities by more than 8% or the total points and fees exceed 5% of the total loan amount.

Closing Practices

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