

STATE HIGH COST/PREDATORY LENDING REGULATIONS

STATE: Minnesota – updated 12/08

LAW: MN Residential Mortgage Originator & Servicer Licensing Act

CITE: 58.13 Standards of Conduct and 58.137 Interest, Points, Finance Charges, Fees and Other Charges

PUBLIC LINKS: <http://www.revisor.leg.state.mn.us/bin/getpub.php?type=s&year=current&num=58.13>
<http://www.revisor.leg.state.mn.us/bin/getpub.php?type=s&year=current&num=58.137>

LOAN COVERED Conventional FHA VA

Loan Purposes Covered	<input checked="" type="checkbox"/> Purchase	<input checked="" type="checkbox"/> Construction/Perm (refinance of construction loan)
<input checked="" type="checkbox"/> Construction	<input checked="" type="checkbox"/> Refinance	<input checked="" type="checkbox"/> Home Equity/closed end
<input checked="" type="checkbox"/> HELOC	<input checked="" type="checkbox"/> Bridge Loan (Refinance & Purchase)	<input checked="" type="checkbox"/> Home Improvement
<input checked="" type="checkbox"/> Purchase Plus	<input checked="" type="checkbox"/> Refinance Plus	<input checked="" type="checkbox"/> One-time Closing
<input checked="" type="checkbox"/> One time with modification		

BORROWER(S) COVERED: “Consumers”

PROPERTY COVERED: All 1 – 4 family properties regardless of lien position, loan purpose, property types.
Excludes FHA, VA loans.

TOTAL LOAN AMOUNT IS SAME AS HOEPA/SECTION 32

_____ NOTE AMOUNT

APR TEST: Act does not provide for APR related test – will use HOEPA/Section 32 test

FEE TEST: Lenders can finance a maximum of 5% of the base loan amount.

FEES TO INCLUDE OR EXCLUDE: (See link to law for more information)
Same fees as Section 32/HOEPA.

SPECIAL NOTES:

MN follows the Federal tests and rules for High cost, Section 32, loans.

Legal Disclaimer: This is a good faith summary of the state’s high cost/predatory lending laws. This is not legal advice. It is not a substitute for legal advice. See the referenced link to the actual law for further details and clarification