



# STATE OF SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS

## HIGH COST LOAN CHECKLIST

**Mailing Address**  
P.O. Box 5757  
Columbia, SC 29250-5757

S.C. Code Ann. § 37-23-10 et seq.  
[www.consumer.sc.gov](http://www.consumer.sc.gov)  
(803) 734-4294

**Street Address**  
2221 Devine Street, Ste. 200  
Columbia, SC 29205

### Mortgage Broker/Lender

### Borrower

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_

### CHECKLIST BORROWER'S INDIVIDUAL CIRCUMSTANCES

- |  |       |   |       |
|--|-------|---|-------|
| 1. Purpose of loan   | _____ | 2. Borrower's credit history  | _____ |
| 3. History of repeated refinancing   | _____ | 4. Amount of equity in home   | _____ |
| 5. Borrower's ability to repay   | _____ | 6. Did the borrower shop or compare rates and terms with other lenders? | _____ |
| 7. Explain: Right to cancel within three days in refinancing transactions only | _____ | 8. Credit Score   | _____ |

### LOAN TERMS

- |   |       |  |  |
|---|-------|--|--|
| 9. Amount of Loan   | _____ | 10. Interest rate or APR                         | _____  |
| 11. Whether fixed or variable rate  | _____ | 12. Term (duration) of loan                      | _____  |
| 13. Monthly payment amount (including whether this amount is subject to change) | _____ | 14. a. Real Estate <input type="checkbox"/>      |  |
| 15. Lien position of loan (1st, 2nd, etc)                                       | _____ | b. Manufactured Housing <input type="checkbox"/> |  |
|   |       | 16. Is this loan a refinance?                    | <input type="checkbox"/> Yes <input type="checkbox"/> No |

### LOAN FEES

- |                          |       |  |       |
|--------------------------|-------|--|-------|
| 16. Loan origination fee | _____ | 17. Discount points  | _____ |
| 18. Commitment fee       | _____ | 19. Broker compensation – ALL broker compensation including yield spread premium | _____ |
| 20. Loan application fee | _____ | 21. Other lender fee   | _____ |

### PROHIBITED TERMS

A high-cost home loan cannot contain the following terms:

- |  |       |   |       |
|--|-------|---|-------|
| 22. Prepayment penalty – Not permitted on loans of \$255,000 or less                                 | _____ | 23. Credit insurance—cannot be financed   | _____ |
| 24. Balloon payment  | _____ | 25. If refinancing with the same lender, points and fees cannot be charged                      | _____ |
| 26. If financing or refinancing with a different lender, points or fees over 2.5% cannot be financed | _____ | 27. If refinancing an already high cost loan with same lender, points or fees cannot be charged | _____ |

If the loan appears to contain any of the above terms, it may violate the South Carolina High Cost and Consumer Home Loan Act. (There are other prohibitions, but only the key prohibitions are listed above.) You should notify the borrower, the lender and the S.C. Department of Consumer Affairs that the loan terms appear to be illegal.

### MANDATORY COUNSELING CERTIFICATION

I am a South Carolina State Housing Finance and Development Authority approved counselor and certify that counseling has been provided on the advisability of this loan transaction and its appropriateness for the borrower.

Signature of Counselor \_\_\_\_\_  
Address: \_\_\_\_\_

Date \_\_\_\_\_  
Phone No. \_\_\_\_\_