



HPML (High Priced Mortgage Loan)

Sometimes our loans are classified as HPML (High Priced Mortgage Loan) due to the APR being above the threshold allowed per Dodd Frank regulations.

We accept HPML loans but *Federal Law* requires all HPML loans have an impound account.

5th Street Capital cannot waive the requirement for escrows on an HPML loan due to it being a *Federal Law* not a 5th Street Capital requirement.

HPML is calculated by adding either:

1.50% to the APOR (average prime offer rate) for loans below the conforming loan limit per County

or

2.50% to the APOR (average prime offer rate) for loans above the conforming loan limit

If the loan APR is over the HPML APR threshold an impound account is required per regulation

How to Check if Your Loan is HPML:

- Log on to our site <https://5thstreetcapital.mortgagebotlos.com/>
- Search by last name or loan number
- Click on your borrower
- Click the compliance alert triangle on the top right-hand corner of your screen (see image on next page)
- Click the higher priced mortgage loan tab (see image on next page)
- Click show details (see image on next page)

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Loan Pipeline Search Results [input] [6] [6] [6] [6] [6]

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Application Criteria

Application Date: 7/11/2017

Name ✓

Monthly Income ✓

Social Security Number ✓

Loan Pipeline Search Results [input] [6] [6] [6] [6] [6]

Compliance Alerts

Overview General Alerts ⚠ Ability To Repay/QM ⚠ **Higher Priced Mortgage Loan ✓** HOEPA/ High Cost Loan ✓

Loan Details

Amortization Type:	ARM	Product:	Non-Conforming 5/1 Libor Arm 5Sch	Loan Purpose:	Purchase
Amortization Term:	360	Occupancy:	Primary	Residence	
Lien Position:	First	Note Rate:	5.990%	Rate Status:	Floating
AUS Approval Date:		PITI:	\$5,182.53		

Important Dates

7/11/2017	Initial Closing Disclosure Provided:	8/2/2017
7/11/2017	Initial Closing Disclosure Received:	8/2/2017
7/11/2017		
8/7/2017		
7/25/2017		
7/25/2017		
8/5/2017		

etc have been evaluated using the most recent APRR value. Results must be

Print Close Show

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Compliance Alerts

Overview General Alerts ⚠ Ability To Repay/QM ⚠ **Higher Priced Mortgage Loan ✓** HOEPA/ High Cost Loan ✓

This transaction does not appear to be a Higher Priced Mortgage Loan (HPML)

HPML - Higher Priced Mortgage Loan (HPML) APR Coverage Test ✓ [Show Details](#)

HPML APR Threshold:	6.230%	Transaction APR:	5.8798%
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Print Close