



## HIGHER-PRICED MORTGAGE LOAN TEST

LOAN #: \_\_\_\_\_

BORROWER(S) NAME: \_\_\_\_\_

The selection of the appropriate Average Prime Offer Rate ("APOR") Index Rate is based upon the date the final interest rate is set (usually the rate lock date or application date). The APOR Index Rates are updated and posted every Friday, however, the new benchmarks will be effective and dated the following Monday.

You may find this APOR Index Rate at the following website: <http://www.ffiec.gov/ratespread/newcalc.aspx>

### FOR FIRST-LIEN HOME MORTGAGE LOANS:

- A. Enter the Final Annual Percentage Rate ("APR") per the Final Truth in Lending Disclosure (as of closing): **0.000%**
- B. Enter the appropriate APOR Index Rate: **0.000%**
- C. Does the APR (line A) exceed the APOR Index Rate (line B) by 1.5% or more?    Yes    \*No    **0.000%**

If yes (line C is equal or greater than 1.5%), this loan has failed this test and is considered by Regulation Z to be a higher-priced mortgage loan (not eligible for the MPF Program). If you choose to keep this loan in your portfolio, you must meet the provisions set by Regulation Z.

**\*Note: If line C is less than 1.5%, this loan passes the HPML test and is eligible for the MPF Program.**

### FOR SUBORDINATE-LIENS HOME MORTGAGE LOANS (Note: Junior Liens are not eligible for the MPF Program):

- A. Enter the Final Annual Percentage Rate ("APR") per the Final Truth in Lending Disclosure (as of closing): **0.000%**
- B. Enter the appropriate APOR Index Rate: **0.000%**
- C. Does the APR (line A) exceed the APOR Index Rate (line B) by 3.5% or more?    Yes    \*No    **0.000%**

If yes (line C is equal or greater than 3.5%), this loan has failed this test and is considered by Regulation Z to be a higher-priced mortgage loan. If you choose to keep this loan in your portfolio, you must meet the provisions set by Regulation Z.

**\*Note: If line C is less than 3.5%, this loan passes the HPML test.**

If you have any questions or need assistance filling out this form, please contact Linda Hanze at (212) 441-6715.

You may also retrieve the FFEIC HMDA Rate Spread Calculator to test home mortgage loans for HPML purposes as well, at the following link: [www.ffiec.gov/ratespread/newcalc.aspx](http://www.ffiec.gov/ratespread/newcalc.aspx). Please note that the Federal Reserve has amended Regulation C and the HMDA rate spread reporting method to conform with the same new HPML thresholds category under Regulation Z.