

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

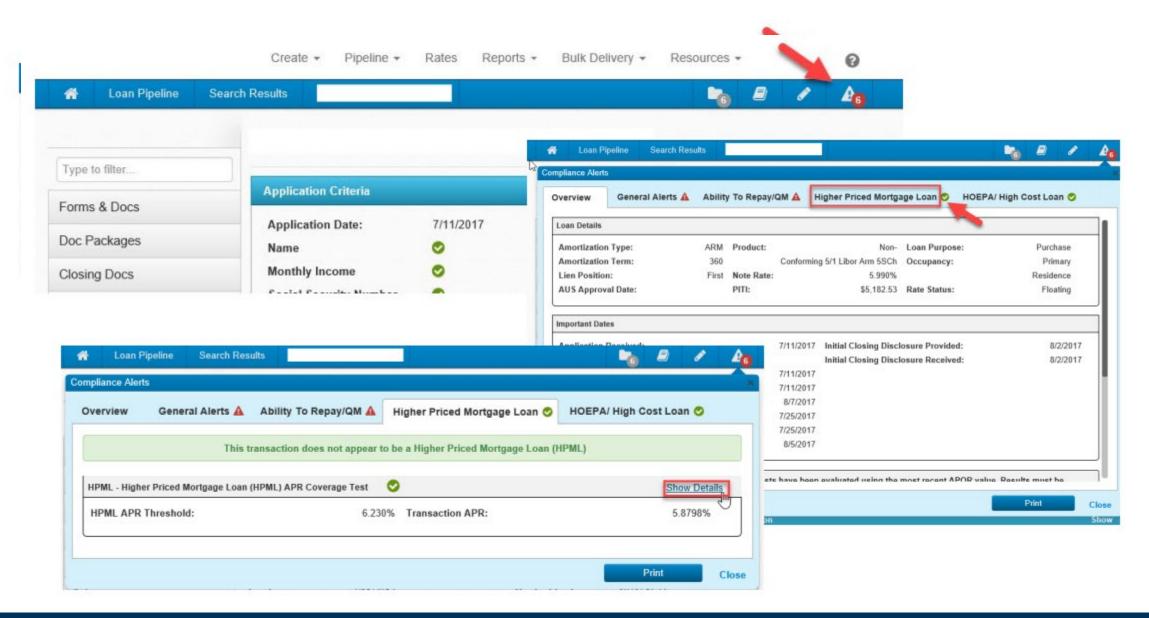
If the loan APR is over the HPML APR threshold an impound account is required per regulation



How to Check if Your Loan is HPML:

- Log on to our site <u>https://5thstreetcapital.mortgagebotlos.com/</u>
- 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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