

**Contents**

Acknowledgments..... iii  
 About the Authors..... v  
 How to Use This Manual ..... vii

**ILLINOIS**

Introduction..... IL-1  
 Advertisements ..... IL-1  
 Application Practices ..... IL-2  
 Bad Check Charges..... IL-4  
 Balloon Payments ..... IL-4  
 Brokering Second Mortgage Loans ..... IL-4  
     Loan Brokerage Disclosure Statement..... IL-4  
     Loan Brokerage Agreement ..... IL-5  
 Consumer Protection..... IL-5  
 Credit Line/Revolving Credit Loans..... IL-6  
     Prohibited Terms..... IL-6  
     Annual Account Analysis ..... IL-6  
     Billing Practices ..... IL-7  
     Compliance with Federal Law ..... IL-7  
 Disclosures..... IL-7  
     Borrower Information Document..... IL-8  
 Discrimination Against Borrowers ..... IL-9  
 Fees and Charges ..... IL-10  
 Home Equity Loans ..... IL-12  
 Insurance..... IL-12  
     Credit Life/Credit Accident..... IL-12  
     Hazard/Casualty ..... IL-12  
     Force Place Insurance ..... IL-12  
 Interest and Usury ..... IL-15  
 Late Charges ..... IL-15  
 Licensing..... IL-16  
     Exemptions..... IL-16  
     Application for License..... IL-17  
     In-State Office Requirement ..... IL-18  
     Loan Originators ..... IL-18  
     Notice to Commissioner..... IL-19  
 Plain English ..... IL-19  
 Prepayment ..... IL-19  
 Prohibited Loan Terms ..... IL-20  
 Record Retention ..... IL-20  
 Miscellaneous ..... IL-21  
     Illinois Predatory Lending Regulations and Statute..... IL-21

Chicago Predatory Lending Ordinance..... IL-23  
 Cook County Predatory Lending Database..... IL-24  
 Future Advances..... IL-25  
 Commitments..... IL-25  
 Lock-In Agreements..... IL-26  
 Mortgage Rescue Fraud Act ..... IL-26  
 State Regulator..... IL-26  
 Exhibits..... IL-27

**INDIANA**

Introduction..... IN-1  
 Advertisements ..... IN-2  
 Application Practices ..... IN-2  
 Bad Check Charges..... IN-2  
 Balloon Payment..... IN-2  
 Brokering Second Mortgage Loans ..... IN-3  
     Brokerage Agreements..... IN-5  
     Rescission..... IN-5  
     Prohibited Acts..... IN-5  
 Consumer Protection..... IN-6  
 Credit Line/Revolving Credit Loans..... IN-6  
 Disclosures..... IN-7  
 Discrimination Against Borrowers ..... IN-7  
 Fees and Charges ..... IN-8  
 Home Equity Loans ..... IN-10  
 Insurance..... IN-10  
     Credit Life/Credit Accident..... IN-11  
     Hazard/Casualty..... IN-12  
     Depository Institutions and Affiliates ..... IN-13  
 Interest and Usury..... IN-15  
 Late Charges ..... IN-15  
 Licensing..... IN-16  
     Exemptions..... IN-16  
     License Application Procedures..... IN-16  
     Examinations..... IN-17  
     Notifications..... IN-17  
     Penalties ..... IN-17  
     Assignees of Second Mortgages ..... IN-17  
 Plain English..... IN-18  
 Prepayment ..... IN-18  
 Prohibited Loan Terms ..... IN-18  
 Record Retention ..... IN-19  
     Uniform Consumer Credit Code ..... IN-19  
     Loan Brokers..... IN-20  
 Miscellaneous ..... IN-20

Adjustment of Dollar Amounts ..... IN-20  
 Notification and Fees ..... IN-20  
 Future Advances ..... IN-21  
 Payment Processing ..... IN-21  
 High-Cost Home Loans ..... IN-22  
 State Regulator ..... IN-27  
 Exhibits ..... IN-27

**IOWA**

Introduction ..... IA-1  
 Advertisements ..... IA-2  
 Application Practices ..... IA-3  
 Bad Check Charges ..... IA-3  
 Balloon Payments ..... IA-3  
 Brokering Second Mortgage Loans ..... IA-4  
     Penalties and Prohibitions ..... IA-5  
 Consumer Protection/Consumer Complaints ..... IA-6  
 Credit Line/Revolving Credit Loans ..... IA-6  
 Disclosures ..... IA-7  
 Discrimination Against Borrowers ..... IA-9  
 Fees and Charges ..... IA-10  
 High-Cost Loans ..... IA-13  
 Home Equity Loans ..... IA-13  
 Insurance ..... IA-13  
 Interest and Usury ..... IA-14  
 Late Charges ..... IA-15  
 Licensing ..... IA-16  
     Iowa Regulated Loan Act ..... IA-16  
     Iowa Mortgage Bankers and Brokers ..... IA-18  
     Iowa Industrial Loan Law ..... IA-20  
     Iowa Consumer Credit Code ..... IA-23  
 Plain English ..... IA-23  
 Prepayment ..... IA-24  
 Prohibited Loan Terms ..... IA-24  
 Record Retention ..... IA-25  
 Miscellaneous ..... IA-27  
     Disclosure Statement ..... IA-27  
     Mortgage Bankers Servicing Mortgages and Payoffs ..... IA-27  
     Principal Limitation on Supervised Loans ..... IA-29  
     Other Business in Same Office ..... IA-29  
     Applicability of Iowa Consumer Credit Code ..... IA-29  
 State Regulator ..... IA-29  
 Exhibits ..... IA-29

**MICHIGAN**

Introduction.....	MI-1
Advertisements .....	MI-1
Application Practices .....	MI-2
Bad Check Charges.....	MI-2
Balloon Payments .....	MI-2
Brokering Second Mortgage Loans .....	MI-2
Consumer Protection.....	MI-2
Consumer Mortgage Protection Act.....	MI-3
Prohibited Acts.....	MI-3
Prohibited Mortgage Loan Terms .....	MI-4
Disclosures .....	MI-4
Authority of the Michigan Department of Consumer Industry Services .....	MI-6
Financial Education.....	MI-7
Credit Line/Revolving Credit Loans.....	MI-7
Disclosures.....	MI-7
Discrimination Against Borrowers .....	MI-7
Fees and Charges .....	MI-8
Home Equity Loans .....	MI-8
Insurance.....	MI-8
Credit Life/Credit Accident.....	MI-8
Hazard/Casualty.....	MI-8
General.....	MI-9
Interest and Usury .....	MI-9
Late Charges .....	MI-9
Licensing.....	MI-9
Exemptions.....	MI-10
Licensing Procedure.....	MI-10
Plain English.....	MI-11
Prepayment .....	MI-11
Prohibited Loan Terms .....	MI-11
Record Retention .....	MI-12
Miscellaneous .....	MI-13
Name of Entity .....	MI-13
State Regulator.....	MI-13
Exhibits .....	MI-14

**MINNESOTA**

Introduction.....	MN-1
Advertisements .....	MN-1
Application Practices .....	MN-2
Bad Check Charges.....	MN-4

Balloon Payments .....	MN-4
Brokering Second Mortgage Loans .....	MN-4
Residential Mortgage Originator and Servicer Licensing Act .....	MN-4
Consumer Protection .....	MN-5
Credit Line/Revolving Credit Loans .....	MN-5
Finance Charge .....	MN-6
Balances .....	MN-6
Disclosure .....	MN-7
Disclosures .....	MN-7
General Usury Law .....	MN-7
Residential Mortgage Originator and Servicer Licensing Act .....	MN-8
Regulated Loan Act .....	MN-9
Discrimination Against Borrowers .....	MN-9
Fees and Charges .....	MN-10
Residential Mortgage Originator and Servicer Licensing Act .....	MN-10
Conventional Loans of Less Than \$100,000 .....	MN-10
Regulated Loan Act .....	MN-11
Home Equity Loans .....	MN-12
Insurance .....	MN-12
Credit Life/Credit Disability Insurance .....	MN-12
Hazard Insurance .....	MN-13
Interest and Usury .....	MN-14
Conventional Loans of Less Than \$100,000 .....	MN-14
Regulated Loan Act .....	MN-14
Residential Mortgage Originators .....	MN-15
Late Charges .....	MN-16
Licensing .....	MN-16
Residential Mortgage Originator and Servicer Licensing Act .....	MN-16
Regulated Loan Act .....	MN-19
Plain English .....	MN-20
Prepayment .....	MN-21
Prohibited Loan Terms .....	MN-22
Record Retention .....	MN-23
Residential Mortgage Originator and Servicer Licensing Act .....	MN-23
Regulated Loan Act .....	MN-23
Miscellaneous .....	MN-23
Required Terms in Mortgages .....	MN-23
Document Preparation .....	MN-24
Prohibited Practices Under the Residential Mortgage Originator and Servicer Act .....	MN-24
State Regulator .....	MN-25
Exhibits .....	MN-25

## NEBRASKA

Introduction .....	NE-1
Advertisements .....	NE-1

Application Practices .....	NE-1
Bad Check Charges .....	NE-2
Balloon Payments .....	NE-2
Brokering Second Mortgage Loans .....	NE-2
Consumer Protection/Consumer Complaints.....	NE-3
Credit Line/Revolving Credit Loans.....	NE-4
Disclosures.....	NE-5
Discrimination Against Borrowers .....	NE-6
Fees and Charges .....	NE-6
Home Equity Loans .....	NE-7
Insurance .....	NE-7
Preauthorized Loans.....	NE-8
Interest and Usury .....	NE-9
Late Charges .....	NE-9
Licensing.....	NE-9
Mortgage Bankers Registration and Licensing Act .....	NE-9
Installment Loan Act.....	NE-11
Plain English .....	NE-13
Prepayment .....	NE-13
Prohibited Loan Terms .....	NE-14
Record Retention .....	NE-14
State Regulator.....	NE-14
Exhibits .....	NE-15

**NORTH DAKOTA**

Introduction.....	ND-1
Advertisements .....	ND-1
Application Practices .....	ND-2
Bad Check Charges.....	ND-2
Balloon Payments .....	ND-3
Brokering Second Mortgage Loans .....	ND-3
Consumer Protection/Consumer Complaints.....	ND-3
Credit Line/Revolving Credit Loans.....	ND-4
Disclosures.....	ND-4
Discrimination Against Borrowers .....	ND-6
Fees and Charges .....	ND-6
Home Equity Loans .....	ND-7
Insurance.....	ND-7
Credit Life/Credit Accident.....	ND-7
Hazard/Casualty.....	ND-8
Interest and Usury .....	ND-8
Late Charges .....	ND-8
Licensing.....	ND-8
Money Brokers Act.....	ND-8
Assignees of Second Mortgages .....	ND-9

Plain English ..... ND-9  
 Prepayment ..... ND-9  
 Prohibited Loan Terms ..... ND-9  
 Record Retention ..... ND-9  
 State Regulator ..... ND-10  
 Exhibits ..... ND-10

**OHIO**

Introduction ..... OH-1  
 Advertisements ..... OH-1  
 Application Practices ..... OH-3  
 Bad Check Charges ..... OH-3  
 Balloon Payment ..... OH-3  
 Brokering Second Mortgage Loans ..... OH-3  
 Consumer Protection ..... OH-7  
     Consumer Sales Practices Act ..... OH-7  
     Other Consumer Protection Laws ..... OH-11  
 Credit Line/Revolving Credit Loans ..... OH-12  
 Disclosures ..... OH-13  
 Discrimination Against Borrowers ..... OH-13  
 Fees and Charges ..... OH-13  
     Closed-End Loans ..... OH-13  
     Open-End Loans ..... OH-15  
     Multiple Contracts ..... OH-15  
     Penalties ..... OH-15  
 Home Equity Loans ..... OH-15  
 Insurance ..... OH-15  
     Credit Life/Credit Accident ..... OH-15  
     Hazard/Casualty ..... OH-16  
 Interest and Usury ..... OH-17  
 Late Charges ..... OH-17  
 Licensing ..... OH-17  
     Exemptions ..... OH-18  
     Registration Application Procedures ..... OH-18  
     Renewals and Changes ..... OH-19  
     Office Requirements ..... OH-19  
     Affiliations with Small Loan Lenders ..... OH-19  
     Penalties ..... OH-20  
     Assignees of Second Mortgages ..... OH-20  
 Plain English ..... OH-20  
 Prepayment ..... OH-20  
 Prohibited Loan Terms ..... OH-21  
 Record Retention ..... OH-21  
     Mortgage Brokers ..... OH-24  
 Miscellaneous ..... OH-24

Predatory Lending.....	OH-24
Loan Closing Limitations.....	OH-26
Future Advances.....	OH-27
Payoff and Release.....	OH-27
Military Service Benefits.....	OH-27
State Regulator.....	OH-27
Exhibits.....	OH-28

## SOUTH DAKOTA

Introduction.....	SD-1
Advertisements.....	SD-1
Application Practices.....	SD-2
Bad Check Charges.....	SD-2
Balloon Payments.....	SD-2
Brokering Second Mortgage Loans.....	SD-3
Consumer Protection/Consumer Complaints.....	SD-4
Credit Line/Revolving Credit Loans.....	SD-4
Disclosures.....	SD-5
Discrimination Against Borrowers.....	SD-6
Fees and Charges.....	SD-7
High-Cost Loans.....	SD-7
Home Equity Loans.....	SD-7
Insurance.....	SD-7
Interest and Usury.....	SD-8
Late Charges.....	SD-8
Licensing.....	SD-8
Mortgage Lender License.....	SD-8
Money Lending License.....	SD-9
Real Estate Broker License.....	SD-10
Plain English.....	SD-10
Prepayment.....	SD-10
Prohibited Loan Terms.....	SD-11
Record Retention.....	SD-11
Miscellaneous.....	SD-11
Certificate of Value or Other Information Required in Conveyancing Instruments.....	SD-11
Power of Attorney to Execute Mortgage.....	SD-12
State Regulators.....	SD-12
Exhibits.....	SD-12

## WISCONSIN

Introduction.....	WI-1
Advertisements.....	WI-1
Application Practices.....	WI-2

Bad Check Charges .....	WI-2
Balloon Payments .....	WI-3
Brokering Second Mortgage Loans .....	WI-3
Mortgage Bankers, Loan Originators and Mortgage Brokers Act .....	WI-3
Wisconsin Consumer Act .....	WI-3
Consumer Protection .....	WI-4
Credit Line/Revolving Credit Loans .....	WI-5
Disclosures .....	WI-6
Disclosures to Spouses of Borrowers .....	WI-6
Mortgage Bankers, Loan Originators and Mortgage Brokers Act .....	WI-7
Wisconsin Consumer Act .....	WI-7
Precomputed Loan Law .....	WI-9
Discrimination Against Borrowers .....	WI-9
Fees and Charges .....	WI-10
Home Equity Loans .....	WI-11
Insurance .....	WI-11
Credit Life/Credit Accident .....	WI-11
Hazard/Casualty .....	WI-12
Interest and Usury .....	WI-12
Late Charges .....	WI-12
Licensing .....	WI-12
Mortgage Bankers, Loan Originators and Mortgage Brokers Act .....	WI-13
Wisconsin Consumer Act .....	WI-15
Precomputed Loan Law .....	WI-16
Plain English .....	WI-16
Prepayment .....	WI-16
Prohibited Loan Terms .....	WI-17
Record Retention .....	WI-17
Mortgage Bankers, Loan Originators and Mortgage Brokers Act .....	WI-17
Consumer Act .....	WI-18
Precomputed Loan Law .....	WI-18
Miscellaneous .....	WI-19
Future Advances .....	WI-19
Predatory Lending .....	WI-19
State Regulator .....	WI-23
Exhibits .....	WI-23