

SHB 2770 Rulemaking - "Disclosure Summary" Comments

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Comments:

SHB 2770 Rulemaking - "Disclosure Summary Draft Model#3

This worksheet includes a line item calculation for the minimum monthly payment possible on an ARM loan. This calculation cannot be generated through Calyx/Point Origination System. Calculation of this payment would be a "best case" scenario on the loan which is not required by current lending laws.

The specific loan caps, initial, maximum subsequent adjustment and life of loan maximum caps are disclosed on the Adjustable Rate Mortgage disclosure that is required. This disclosure also provides the minimum interest rate calculation.

It is our understanding that the intent of this draft disclosure is to insure that the consumer is presented the worst case interest rate and payment scenario on an Adjustable Rate Mortgage which is done via the maximum.

It is my recommendation that you remove the "best case" as there does not seem to be a legal obligation nor is it in the best interest of the borrower.