WHAT MORTGAGE APPLICANTS NEED TO KNOW

As an applicant for a residential mortgage, you have the right to:

- Compare and negotiate the charges of different mortgage brokers and lenders to obtain the best loan possible for you.
- Ask your mortgage broker to explain their responsibilities within the mortgage lending process.
- Know how much the mortgage broker is compensated by you and the lender for your loan.
- A clear and truthful explanation of the terms and conditions of the loan, including:
  - whether the loan being offered is a fixed or adjustable-rate mortgage loan;
  - whether the loan can be transferred or refinanced;
  - the exact amount of your monthly loan payments;
  - any projected escrow payments; and
  - the final annual percentage rate (APR);
- Receive an estimate, within three business days of applying for a loan and before you agree to the loan and pay any fees, detailing all loan and settlement charges, including without limitation:
  - loan application fees;
  - title search and insurance fees;
  - lender's attorney fees;
  - property appraisal charges;
  - inspections;
  - recording fees;
  - late payment fees;
  - transfer taxes;
  - point and origination fees; and
  - escrow account balances.
- Know which services a loan applicant can shop for and which they cannot.
- Obtain credit counseling before closing a loan.
- Decide whether or not to finance any portion of the points or fees.
- Refuse to purchase credit insurance for any mortgage loan.
- Have your property appraised by an independent licensed professional and to receive a copy of the appraisal.

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- Not be subject to deceptive marketing practices.
- Ask for the Consumer Financial Protection Bureau's booklet "Your home loan toolkit."
- Receive the following documents, and every document otherwise required to be given to you at closing under federal and New York state law:
  - Loan estimate or good faith estimate depending on the loan you are applying for.
  - Closing disclosure.
- Know what deposits and fees are not refundable if you decide to cancel the loan agreement.
- Receive in writing the reason for the denial or conditional approval of your loan application.
- If refinancing, cancel a loan within three days of the closing by providing written notification of cancellation to the mortgage bank or banking institution.
- Receive the closing disclosure three days before the closing takes place.
- Have any lending disputes resolved in a fair and equitable manner.
- A decision on your loan application that is not based upon your race, color, national origin, religion, sex, family status, sexual orientation, disability or whether any income is from public assistance.
- File a complaint with the Department of Financial Services or the Consumer Financial Protection Bureau if you believe that a mortgage broker or any other entity licensed by the Department of Financial Services or the Consumer Financial Protection Bureau has violated any rules, regulations or laws which govern such person's conduct in working with you to get or process a mortgage loan. Complaints can be submitted to the Consumer Financial Protection Bureau or Department of Financial Services by calling or going online:

  Consumer Financial Protection Bureau: **www.CFPB.gov/complaint** or call **(855) 411-2372** or **TTY/TDD: (855) 729-2372** between 8 a.m. and 8 p.m. ET, Monday to Friday.

  New York DFS: **www.DFS.ny.gov/complaint** or call **(800) 342-3736** between 8:30 a.m. and 4:30 p.m. ET, Monday to Friday.
- File a complaint with the New York State Department of State if you believe that a real estate broker has violated any rules, regulations or laws which govern such person's conduct in working with you to purchase a home. Complaints can be submitted to the Department of State by calling or going online:

  New York Department of State: **www.DOS.ny.gov/file-consumer-complaint** or call **(800) 697-1220** between 8:30 a.m. and 4:30 p.m. ET, Monday to Friday.

This pamphlet was developed and is being provided pursuant to § 35 of the New York Banking Law.