



State of North Carolina

Office of the Commissioner of Banks

**Beverly E.
Perdue**

August 26, 2010

**Joseph A. Smith, Jr.
Commissioner of Banks**

To: Licensed Mortgage Brokers

From: Charlie Fields, Jr., Director, Non-Depository Entities Division

**Re: New Mortgage Broker Disclosure – N.C.G.S. § 53-244.109(5) & 04 NCAC
03M .0101 (12)**

Recently, the NC Rules Review Commission approved Rule 04 NCAC 03M .0101 (12), which provides further detail on facts or information mortgage brokers need to provide to borrowers under N.C.G.S. § 53-244.109(5). The NC Office of the Commissioner of Banks has worked with the North Carolina Association of Mortgage Professionals (NCAMP) and the Mortgage Bankers Association of the Carolinas (MBAC) to develop a model disclosure form that would assist you in complying with these requirements.

The new rule provides clearer direction to brokers as to what information is required to be disclosed to a borrower that might influence a borrower's decision regarding a residential mortgage loan. Brokers may disclose this information either by providing the borrower an itemization of origination charges as permitted under RESPA or by disclosure of their total compensation separately as part of their broker agreement or on a separate form. The model disclosure form that may be used is included at the bottom of this memorandum and available on our website under Mortgage-Forms & Fees. NCCOB appreciates NCAMP's and MBAC's assistance in developing this form.

Please contact our office at mortgage@nccob.gov for any questions or concerns you may have pertaining to the contents of the memo.

FORM: [MLA18](#)