

## **VERMONT HIGH-COST RECAP**

**What loans are subject to rule:** Consumer-purpose loans secured by a first lien on the borrower's primary dwelling.

**Fees included:** All fees included in Section A of the CD are included in the fee test. If the fees exceed 4%, then the loan is considered a high-cost transaction.

**APR threshold test:** As of January 1, 2023, the interest rate may not exceed 7% without being considered a high rate loan. Vermont has suspended any disclosure requirements for a high interest rate until June 30, 2023. This may be extended or reinstated at a later date.

**Additional limitations:** There is only a disclosure requirement.

**Disclosures required:** While the high-rate disclosure has been suspended, there is still a high-point disclosure required. This is Doc ID 9474 in the PPDocs, Inc. document library.

### **Underlying Regulation:**

High Rate, High Point Notices for Residential Real Estate Loans.

<https://dfr.vermont.gov/reg-bul-ord/high-rate-high-point-notices-residential-real-estate-loans>