

Borrower's Bill of Rights

Before you begin the mortgage lending process, take a look at the Borrower's Bill of Rights. The Mortgage Bankers Association (MBA) developed these guidelines to clarify just what you have a right to expect from your lender as you go through the lending process. Use these guidelines to help you decide whether you need to ask questions about the information you are given. MBA and its members do not want you to accept a loan that you do not fully understand. **In the long run, doing so causes problems for lenders and consumers alike.**

- A borrower has the right to clear and forthright explanations of the terms and conditions of a loan.
- A borrower has the right to timely and truthful disclosures regarding the rates and costs of the loan.
- A borrower has the right to accurate disclosure of the final annual percentage rate and the amount of regular payments at the time of loan closing/settlement.
- A borrower has the right not to be subject to deceptive marketing tactics.
- A borrower has the right to obtain credit counseling prior to closing on the loan.
- A borrower has the right to have a lender consider a borrower's ability to repay the loan before such credit is extended.
- A borrower should receive an identifiable benefit when charged a fee or a higher interest rate to refinance a loan.
- A borrower has the right to not be subjected to a requirement that he or she finance any portion of points or fees.
- A borrower has the right to decline credit insurance in connection with a loan.
- A borrower has the right to a fair and equitable resolution to any disputes related to their loan.
- A borrower has the right to have favorable information reported to credit reporting agencies on a timely basis.