



- Subject Maximum interest rates for conventional loans and contracts for deed
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## **Summary**

## Section Description

## 1 Maximum interest rate.

Allows conventional, coop, and contract for deed loans to have a maximum interest rate of not more than the average prime rate plus four percentage points.

## 2 Contracts of \$100,000 or more.

Allows both conventional loans and contracts for deed for over \$100,000 to be issued without limitations on interest rate, charges, and fees. (With the exception that for residential mortgage loans, a lender fee cannot be more than 5% of the principal amount of the loan.)

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