

# Massachusetts Tangible Net Benefit Worksheet

Mass. Code 209 CMR. § 53.01 - 53.07

Borrower Name: \_\_\_\_\_

Co-Borrower Name : \_\_\_\_\_

Property Address: \_\_\_\_\_

Loan Number: \_\_\_\_\_

Date: \_\_\_\_\_

Code 53.01. A lender is prohibited under M.G.L. c. 183, 28C from knowingly refinancing a home loan that was consummated within the prior 60 months unless the refinancing is in the borrower's interest. 209 CMR 53.00 is intended to provide such factors, classifications, differentiations or other provisions, or such adjustments and exceptions for classes of transactions necessary to carry out M.G.L. c. 183,§ 28C.

Code 53.07. A lender shall develop policies and procedures to demonstrate compliance with 209 CMR 53.00. Such policies and procedures shall include, at a minimum, a worksheet or other document to be dated at or before closing by the lender indicating how the lender determined that the home loan is in the borrower's interest. Also, a lender may request that a borrower acknowledge receipt of such a worksheet or other documentation; provided, however, a lender shall not shift the burden to the borrower to demonstrate that a home loan is in the borrower's interest; and provided further that a lender shall not require a borrower to sign a waiver for future claims under M.G.L. c. 183,§ 28C. or 209 CMR 53.00

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A home loan shall be in compliance with 209 CMR 53.03 if it meets any of the four exemptions outlined under 209 CMR 53.04(1). Check all that apply. In accordance with 209 CMR 53.07(a), the lender must indicate specifically how the home loan fulfills such exemption. If no exemption applies, then proceed to the next section, *Alternate Factors*.

- ☐ \_\_\_\_\_ The new home loan is guaranteed, originated, or funded by the Federal Housing Administration, the Department of Veteran Affairs, or other State or Federal Housing Finance Agencies.
- ☐ \_\_\_\_\_ The annual percentage rate of the new home loan at consummation does not exceed by more than 2.5 percentage points for closed-end first lien home loans, or by more than 3.5 percentage points for closed-end subordinate-lien home loans, the yield on United States Treasury securities having comparable periods of maturity to the loan maturity as of the 15<sup>th</sup> day of the month immediately preceding the month in which the application for the extension of credit was received by the lender.
- ☐ \_\_\_\_\_ The new home loan is an open-end home loan and the annual percentage rate under the agreement will not exceed at any time the Prime Rate Index as published in *The Wall Street Journal* plus a margin of one percentage point.
- ☐ \_\_\_\_\_ The borrower is able to recoup the costs of refinancing the home loan within two years, taking into account the cost and fees, and the interest rate on the new home loan is reduced without increasing the amortization period of the new home loan compared to the original amortization term of the old home loan.

**Alternate Factors** (*check all that apply*).

- ☐ Borrower's new monthly payment is lower than the total of all monthly obligations being financed, taking into account the costs and fees Yes \_\_\_\_ No \_\_\_\_
- ☐ Change in the amortization period of the new loan compared to the original amortization term of the old loan. Yes \_\_\_\_ No \_\_\_\_
- ☐ Borrower receives cash in excess of the costs and fees of refinancing. Yes \_\_\_\_ No \_\_\_\_
- ☐ Borrower's note rate of interest is reduced. Yes \_\_\_\_ No \_\_\_\_
- ☐ Change from an adjustable rate to a fixed rate, taking in account costs and fees. Yes \_\_\_\_ No \_\_\_\_
- ☐ Refinancing is in response to an order from a court of competent jurisdiction. Yes \_\_\_\_ No \_\_\_\_
- ☐ Timing – the time it takes to recoup the cost of refinancing, taking into account the cost and fees. Yes \_\_\_\_ No \_\_\_\_

- Refinancing is in response to a bona fide personal need, documented by borrower(s) as follows:

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Based on information contained in this *Anti-Flipping/Tangible Net Benefit Worksheet*, Lender has determined that the refinancing of the home loan is in the Borrower’s interest.

**Lender/Broker Representative:** \_\_\_\_\_

**Date Completed:** \_\_\_\_\_

**Agreement to Provide Notice of Claim**

If the above described loan is subject to Massachusetts General Laws, Chapter 183, Section 28C, I/we hereby agree that I/we shall provide to the above named Lender a written notice of any claim that I/we intend to file against Lender, which notice shall be mailed or delivered to Lender at least thirty (30) days prior to the filing of any claim with respect to any alleged violation of said Section 28C, and which written notice shall identify the Borrower(s), reasonably describe the alleged violation of Section 28C, and describe the injury suffered. In the event that such notice is mailed by me/us, it shall be mailed by delivery via the United States Postal Service, postage prepaid, addressed to:

**Acknowledgment**

Borrower acknowledges receipt of this *Anti-Flipping/Tangible Net Benefit Worksheet*.

\_\_\_\_\_  
Date

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Date