



The CFPB has released a short factsheet on calculating prepaid interest on so-called 'short-reset' adjustable-rate mortgages and step-rate loans. The price-based General Qualified Mortgage definition has a special rule for calculating annual percentage rates on these kinds of loans where the interest rate may or will change within five years of the first regular periodic payment due date.

You can access the Factsheet here: [Factsheet: Prepaid Interest and the General Qualified Mortgage APR Special Rule for Adjustable Rate Mortgages \(consumerfinance.gov\)](https://consumerfinance.gov/consumers/advice/understanding-mortgages/understanding-mortgages-factsheet)

CCI suggests sharing this Factsheet with your loan personnel.