

REVISOR OF STATUTES OFFICE

300 S.W. 10th Street, Ste. 024-E
Topeka, KS 66612-1592
Telephone 785-296-2321 Fax 785-296-6668

MEMORANDUM

To: Chairman DeGraaf and members of the House Financial Institutions Committee
From: Matt Sterling, Assistant Revisor of Statutes
Date: March 7, 2013
RE: Senate Bill 52

SB 52 would amend K.S.A. 16-207 concerning mortgage interest rates. Under current law, the interest rate for all first mortgage loans and contracts for deed to real estate, unless the parties agree in writing to make the transaction subject to the uniform consumer credit code, is capped at 1.5 percentage points above the yield of 30-year fixed-rate conventional home mortgages committed for delivery within 61 to 90 days accepted under the Federal Home Loan Mortgage Corporation's daily offerings for sale on the last day on which commitments for such mortgages were received in the preceding month.

The bill would increase the cap for such mortgage loans from 1.5 percentage points to 3.5 percentage points.

Attachment 1
PIC 3-7-13