



**\*\*\*DISCLAIMER\*\*\***  
 For further compliance guidance,  
 please contact the Compliance Help Desk at:  
 ComplianceHelp@OCMBC.com

**Standard Prepayment Penalties Allowed**

**\*6 months interest on 80% of the original principal balance**  
**\*Minimum 3 Year Prepay Required for All Investment/DSCR Loan with LTVs > 80%**

Arizona	Nebraska
Alabama	Nevada
California	New Hampshire
Colorado	North Carolina
Connecticut	North Dakota
Delaware	Oregon
District of Columbia	South Carolina
Florida	South Dakota
Georgia	Tennessee
Hawaii	Utah
Idaho	Virginia
Louisiana	Washington
Massachusetts	Wisconsin
Montana	

**No Prepayment Penalties Allowed**

Alaska - Express prohibition on PP provisions for business purpose loans or maximum PP charge is so low there's no market for them	Minnesota
Maine	New Mexico

**States with "Restricted" Prepayment Penalties**

States	PPP Allowed When:	PPP Structures	No PPP Allowed When:
Arkansas	Maximum of 3 years	Max Rates: 3-2-1, Principle Loan Amount	Never
*Illinois / Cook County	If closed in the name of an individual and rate < 8% APR, Cook County > \$250K or is a Business Purpose Loan, closed in a Corporation, or LLC.	Normal Rates	If closed in the name of an individual and Rate is = > 8% APR, Cook County < \$250K
Indiana	Fixed Loans	Normal Rates	ARM Loans
Iowa	Maximum of 5 years	Max Rates: 5-4-3-2-1	Never
Kansas	6 Months only	Normal Rates	Never
Kentucky	Always allowed	Max Rates: 3-2-1	Never
Maryland	Maximum of 3 years	Normal Rates	Never
Michigan	Maximum of 3 years	1% Fixed	Never
Mississippi	<8% Interest Rate, Maximum of 5 years	Max rates: 5-4-3-2-1, Unpaid Principle Balance	= > 8% Interest Rate
Missouri	Always allowed	Max Rates: 2-2-2-2	Never
New Jersey	Closed in name of Corp. or LLC	Normal Rates	Closed in name of individual
Ohio	>= \$100,000	Normal Rates	< \$100,000
Oklahoma	APOR > 8%, Maximum 2 years	Max Rates: 2-1 Loan Amount Prepaid	Never
Pennsylvania	>\$301,022 and 1-2 Unit, or any 3-4 Unit	Normal Rates	<=\$301,022 and 1-2 Unit
Rhode Island	Maximum of 1 year	2% Fixed	Never
Texas	Purchase, or Non-Homestead Refinances	Normal Rates	Homestead Refinances

\* Represents updates made to the PPP Matrix