

Residential Mortgage Lending

Southeast Region Highlights

Below are highlights of the 2026 update to Residential Mortgage Lending: State Regulation Manual Southeast Region.

Alabama

§ 2:21 – The homestead amount for Alabama residents is up to \$20,475¹ (\$40,950 for a married couple) on property consisting of a single-family owner-occupied dwelling and land, limited to 160 acres.

§ 2:35 – Effective for mortgage loans originated after October 1, 2026, mortgage servicers may allow mortgagors to make biweekly or semi-monthly mortgage payments, as well as additional payments to the mortgage principal, without penalty. Servicers may not impose a penalty for: (1) a biweekly mortgage payment, in which any amount paid in excess of the total contractual payment amount will be applied to the loan principal; or (2) a semi-monthly mortgage payment in the amount of half of the total monthly contractual amount. [Act 2026-513, Laws of 2026.]

Florida

§ 5:7 – New form.

Kentucky

No updates.

Mississippi

§ 5:4 – Updated rules.

South Carolina

No updates.

Tennessee

§ 2:2– The Tennessee Reverse Mortgage Act permits the making of reverse mortgage loans by financial institutions, the Tennessee Housing Development Agency, and any other person authorized to make reverse mortgage loans by the Commissioner of Financial Institutions.

West Virginia

§ 2:7 – Permits a licensed mortgage broker to submit its most recent compiled, reviewed, or audited financial statement at the time of license application. Previously, the requirement was for an audited financial statement.

§ § 2:18, 2:28 – The tangible net benefit form required for certain loan refinancings will no longer be provided by the Division of Financial Institutions.

¹ See <https://treasury.alabama.gov/cpi-information/> for adjusted amounts.