

Residential Mortgage Lending State Regulation Manual

North Central Region

Highlights

Here are some of the highlights of the 2026 update to *Residential Mortgage Lending State Regulation Manual North Central Region*:

Illinois

§ 2:33 Payment in full of a debt secured by a mortgage pursuant to a defined payoff statement issued by or on behalf of the holder of the indebtedness extinguishes the lien of the mortgage. [765 Ill. Comp. Stat. 905/17.]

Rule link updated: <https://www.ilga.gov/agencies/JCAR/EntirePart?titlepart=03801050>

All department links updated.

Indiana

§ 2:24 See <https://www.in.gov/dfi/licensing-and-applications/consumer-credit-licensing/mlo-faq/> for mortgage loan originator FAQs.

Iowa

§§ 2:7, 2:24 Iowa law defines and sets requirements for the use of mortgage trigger leads (“a lead resulting from a consumer report if the issuance of the report is triggered by an inquiry made with a consumer reporting agency in response to an application for credit; does not include a consumer report obtained by a lender that holds or services existing indebtedness of the applicant”).

§ 5:6 (NEW) What Activities Require Licensure in Iowa?

Michigan

§ 1:2 Mortgage Licensee FAQs added.

§ 5:3 Updated Mortgage Broker, Lender and Servicer Schedule of Fees

Minnesota

§ 2:21 Homestead exemption amounts have increased.

Nebraska

§ 2:14 Military or veteran status added to list of prohibited bases of discrimination in residential real estate transactions.

North Dakota

§ 2:7 “Loan” is defined under the Money Broker Act as a contract by which one delivers a sum of money to another and the latter agrees to return at a future time a sum equivalent to that which the person borrowed. This includes alternative financing products identified by the Commissioner through issuance of a rule.

§§ 2:24, 2:35 Mortgage servicing licensing and Prudential Standards updated.

Ohio

§ 2:29 No prepayment penalty may be charged for loans less than \$116,356 as of January 1, 2026.

South Dakota

§ 2:21 The homestead exemption has been increased from \$60,000 to \$100,000.

Wisconsin

§§ **2:24, 2:35** In 2025, the Department of Financial Institutions issued guidance related to the application of the CSBS Prudential Standards for Nonbank Mortgage Servicers to licensees that service or subservice for others multistate portfolios of 2,000 or more residential mortgage loans.

§ **5:7** (NEW) Department of Financial Institutions guidance on Prudential Standards for Nonbank Mortgage Servicers (dated May 30, 2025).