Change WHOLESALE

Business Purpose Prepayment Penalty (PPP) Matrix

Standard PPP Verbiage

The prepayment charge shall be **[CX.PPP.PENALTY.AMOUNT]**. The prepayment charge shall be assessed if the Loan is paid due to sale or refinance of the Property or any curtailments that exceed **[CX.PPP.MAX.PAYDOWN]** of the original principal amount of the Loan in any given twelve (12) month period.

State	Business Purpose PPP Restriction
Oklahoma	Max 2 years / 3% of prepayment exceeding 20%
Rhode Island	Purchase only; 12 months max; PPP ≤2% of payoff balance
Maryland	Allowed if loan amount ≥ $75,000
Pennsylvania	Not allowed if loan amount ≤ $329,411
Michigan	Not allowed after 3 years
District of Columbia	Not allowed after 3 years. Charge cannot exceed 2 months advance interest on aggregate payments in a 12 month period exceeding 1/3
Ohio	Not allowed if loan amount ≤ $116,356. Limited to 1% of payoff balance
Vermont	Allowed on business purpose loans
Alaska	Not allowed
New Mexico	Not allowed
Kansas	Allowed
Minnesota	Allowed on DSCR only starting 8/1/2026
New Jersey	Not allowed unless borrower is a entity (LLC, Corp, or Partnership)
Virginia	Not allowed if loan amount ≤ $75,000; otherwise limited to 1%
Washington	ARM only – PPP must expire at least 60 days before first rate reset