02-08-10

STATE OF TENNESSEE
DEPARTMENT OF FINANCIAL INSTITUTIONS
414 UNION STREET, SUITE 1000
NASHVILLE, TENNESSEE 37219
(615) 741-2236 FAX (615) 741-2883

PHIL BREDESEN
GOVERNOR

GREG GONZALES
COMMISSIONER

DEPARTMENT OF FINANCIAL INSTITUTIONS

Announcement of Maximum Effective Rate of Interest

The Federal National Mortgage Association has discontinued its free market auction system for commitments to purchase conventional home mortgages. Therefore, the Commissioner of Financial Institutions hereby announces that the maximum effective rate of interest per annum for home loans as set by the General Assembly in 1987, Public Chapter 291, for the month of March, 2010 is 8.55 percent per annum.

The rate as set by the said law is an amount equal to four percentage points above the index of market yields of long-term government bonds adjusted to a thirty (30) year maturity by the U. S. Department of the Treasury. For the most recent weekly average statistical data available preceding the date of this announcement, the calculated rate is 4.55 percent.

Persons affected by the maximum effective rate of interest for home loans as set forth in this notice should consult legal counsel as to the effect of the Depository Institutions Deregulation and Monetary Control Act of 1980 (P.L. 96-221 as amended by P.L. 96-399) and regulations pursuant to that Act promulgated by the Federal Home Loan Bank Board. State usury laws as they relate to certain loans made after March 31, 1980, may be preempted by this Act.

Greg Gonzales

Greg Gonzales
Commissioner

RECEIVED
2010 FEB -4 PM 3:35
SECRETARY OF STATE
PUBLICATIONS

For current and archived listings of rates, see http://tn.gov/tdfi/rates/

2/02/10

BANK DIVISION
BANKS, SAVINGS BANKS, TRUST COMPANIES
(615) 741-6013

CREDIT UNION DIVISION
(615) 741-5608

LEGAL DIVISION
(615) 741-0346

COMPLIANCE DIVISION
NON-DEPOSITORY LENDERS
(615) 741-3186

CONSUMER RESOURCES DIVISION
1-800-778-4215

02/02/2010 14:56 615-532-1018 TN FINANCIAL INST PAGE 02/03