

535B.24 Financial condition.

1. [This section](#) shall not apply to servicers that solely own or conduct servicing on reverse annuity mortgage loans, or to the reverse annuity mortgage loan portfolio administered by a covered institution.

2. A covered institution shall maintain capital and liquidity in compliance with this section, and all financial data shall be determined in accordance with generally accepted accounting principles.

3. A covered institution may satisfy [subsection 2](#) by complying with the capital, net worth ratio, and liquidity standards of the federal housing finance agency's eligibility requirements for enterprise single-family sellers or servicers, regardless of whether the servicer is approved for government-sponsored enterprise servicing.

4. A covered institution shall maintain the written policies and procedures necessary to implement the capital, operating liquidity, and servicing liquidity requirements under [this section](#). The policies and procedures must include a sustainable written methodology to comply with [subsection 3](#), and shall be made available to the administrator upon request.

5. *a.* A covered institution shall maintain sufficient allowable assets for operating liquidity, in addition to the amounts required for servicing liquidity, to sustain normal business operations.

b. The covered institution shall develop, establish, and implement written plans, policies, and procedures, using sustainable documented methodologies, to maintain operating liquidity. The policies and procedures shall be made available to the administrator upon request.

6. A covered institution shall have a sound written cash management plan and a sound written business operating plan commensurate with the complexity of the covered institution that ensures normal business operations.

[2024 Acts, ch 1038, §10](#)

Referred to in [§535B.22](#)

NEW section