



KNOW BEFORE YOU OWE

TILA/RESPA INTEGRATED MORTGAGE DISCLOSURES

HISTORY

HISTORY OF TILA-RESPA INTEGRATED MORTGAGE DISCLOSURE EFFORTS

- Dodd-Frank Act (Public Law 111–203, July 21, 2010)
- CFPB 2012 Proposed TILA-RESPA Integrated Disclosure Rule
- CFPB 2013 Final TILA-RESPA Integrated Disclosure Rule

For more than three decades, TILA and RESPA have required lenders and settlement agents to give consumers who apply for and obtain a residential mortgage loan different but overlapping disclosures regarding the loan's terms and costs – the initial TILA Statement, the Good Faith Estimate and the final TILA Statement by the creditor, and the HUD-1 Settlement Statement by the settlement agent. The information on these disclosures is overlapping and the language is inconsistent. This disclosure process has long been recognized as inefficient and confusing for both consumers and lenders due to the amount, complexity and overlap of information in these disclosures.

1. In July 2010, Congress enacted the Dodd-Frank Act, which transferred rulemaking authority under both TILA and RESPA to the CFPB and mandated that the CFPB establish a single disclosure scheme under TILA and RESPA and, by July 21, 2012, propose for public comment rules and model disclosures that integrate the TILA and RESPA disclosures.
2. On July 9, 2012, the CFPB issued its 2012 Proposed TILA-RESPA Integrated Disclosure Rule (published August 23, 2012), which contained TILA-RESPA proposed integrated disclosure forms and rules for public comment.

3. On January 31, 2013, more than 17 years after Congress first directed the FRB and HUD to integrate the disclosures under TILA and RESPA, the CFPB published a Final TILA-RESPA Integrated Disclosure Rule.

PURPOSE

PURPOSE OF TILA-RESPA INTEGRATED MORTGAGE DISCLOSURES

- To Help Consumers in Understanding the Transaction through the Use of Clear Disclosures and by Utilizing Understandable Language to Simplify the Technical Nature of the Disclosures
- To Ensure that Consumers Are Provided with Timely and Understandable Information to Make Responsible Decisions about the Transaction

The TILA-RESPA Integrated Mortgage Disclosures rule consolidates the four existing pre-closing disclosures required under TILA and RESPA for closed-end consumer credit transactions secured by real property into two forms: a Loan Estimate (which consolidates the initial TILA Statement and the Good Faith Estimate) and a Closing Disclosure (which consolidates the final TILA Statement and the HUD-1/1A Settlement Statement).

The Loan Estimate and Closing Disclosure use clear language and design to make it easier for consumers to locate key information, such as interest rate, monthly payments, and costs to close the loan. They also provide more information to help consumers decide whether they can afford the loan and to facilitate comparison of the cost of different loan offers, including the cost of the loans over time.

Current Disclosure	New Disclosure
Good Faith Estimate (GFE) & Initial Truth in Lending Statement (TIL)	Loan Estimate
Revised Truth in Lending Statement (TIL) & Settlement Statement (HUD-1 & HUD-1A)	Closing Disclosure

COVERAGE

COVERAGE OF TILA-RESPA INTEGRATED MORTGAGE DISCLOSURES

- Applies to Closed-end Consumer Mortgage Loans Secured by Real Property, including 25-acre Loans, Vacant-land Loans, and Construction-only Loans
- Does Not Apply to: Reverse Mortgages; HELOCs; Federally Related Mortgage Loans Extended by a Person Not a Creditor as defined in Regulation Z; Personal Property Loans, Chattel-dwelling Loans – e.g., Loans on Mobile Homes or other Dwellings Not Attached to Real Property; and Transactions Satisfying Criteria Associated with Certain Housing Assistance Loan Programs for Low- and Moderate-income Persons (§ 1026.3(h) of Regulation Z)

Creditors originating reverse mortgages, HELOCs, chattel-dwelling loans, or other transactions not covered by the TILA-RESPA Integrated Mortgage Disclosures rule must continue to use, as applicable, the GFE, HUD-1, and Truth-in-Lending disclosures required under current law.

EFFECTIVE DATE



Final rule issued November 20, 2013

The final rule applies generally to transactions for which the creditor or mortgage broker **receives an application on or after that date.**

Will cause lenders to operate 2 systems beginning August 1, 2015

This is a SATURDAY

DEFINITION OF APPLICATION

“APPLICATION” SPECIFIC DEFINITION

- Consumer’s name
- Consumer’s income
- Consumer’s SSN (credit report)
- Property address
- Estimate of value of the property
- Mortgage loan amount sought

1026.2(a)(3)(i): **§ 1026.2 Definitions and rules of construction.**

(a) * * *

(3)(i) *Application* means the submission of a consumer’s financial information for the purposes of obtaining an extension of credit.

(ii) For transactions subject to § 1026.19(e), (f), or (g) of this part, an application consists of the submission of the consumer’s name, the consumer’s income, the consumer’s social security number to obtain a credit report, the property address, an estimate of the value of the property, and the mortgage loan amount sought.

2010 RESPA definition of “application” these 6 items plus “any other information deemed necessary by the loan originator”

Bureau notes that, under the final rule, a creditor may request such other information prior to obtaining all six items that constitute an application without triggering the disclosure requirement.

TIMING OF DISCLOSURES



CFPB performed qualitative testing on new forms.

10 rounds in 9 cities – 114 participants

92 Consumer participants

22 Industry representatives

Over 150,000 visits to the KBYO website

Over 27,000 public comments and emails about the prototypes

DEFINITION OF BUSINESS DAYS

“BUSINESS DAY” DEFINITION

- General definition: creditor’s offices open to the public for carrying on substantially all of its business functions
- Specific definition: all calendar days except Sundays and legal public holidays

General Rule: *Business day* means a day on which the creditor’s offices are open to the public for carrying on substantially all of its business functions.

Specific Rule: Means all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year’s Day, the Birthday of Martin Luther King, Jr., Washington’s Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

Specific Rule:

1026.19(e)(1)(iii)(B)- early disclosures 7 business days prior to closing,

1026.19(e)(1)(iv)- mail box rule-if disclosures not delivered in person, consumer is considered to have received them 3 business days after they are delivered or placed in the mail,

1026.19(e)(2)(i)(A)-,

1026.19(e)(4)(ii)- revised Loan Estimate- not later than 4 business days prior to consummation,

1026.19(f)(1)(ii)- Closing Disclosure- no later than 3 business days before consummation,

1026.19(f)(1)(iii)- mailbox rule for Closing Disclosure,

1026.20(e)(5)- cancellation of escrow account upon consumer request- disclosure no later than 3 business days before the closure of the escrow account,

NOTE: When a federal holiday falls on a Saturday, Federal offices and other entities might observe the holiday on the preceding Friday. Official commentary just clarifies that the “observed” holiday on Friday is a business day under the specific definition of business day. (That’s not new to us, but I know we get that question around the Federal holidays)

TIMING OF LOAN ESTIMATE AND REVISIONS

- Initial Loan Estimate:
 - Delivery from date of application- (3 business days) general definition (days open for substantially all functions)
 - Waiting period before closing- (7 business days) specific definition (all but Sunday and legal holidays) from date of delivery.
 - Mailbox rule (3 business days) specific definition
- Revised Loan Estimate – Must be received by the consumer no later than 4 business days (specific definition) prior to consummation.
 - Mailbox rule (3 business days) specific definition

Closing Disclosure:

3 business days (specific) prior to closing

Mailbox rule- 3 business days (specific)

"Mailbox Rule" – if the Loan Estimate or Closing Disclosure are not provided to the consumer in person, they are deemed to have been received by the consumer 3 business days (Specific definition) after they are delivered or placed in the mail. (Note – The creditor may rely on evidence of actual receipt of the disclosure by the consumer as proof of earlier receipt. For example, if the creditor sends the Loan Estimate or Closing Disclosure by overnight delivery on Monday, it may rely on the consumer's signature on the courier's delivery acceptance form on Tuesday as evidence that the disclosure was received by the consumer on Tuesday).

Loan Estimate = LE
Closing Disclosure = CD

AUGUST –SEPTEMBER 2015

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
2	3	4	5 APP	6 1	7 2	8
9	10 INITIAL LE* 3	11 1	12 2	13 3	14 4	15 5
16	17 6	18 EARLIEST CLOSING DATE 7	19 Rate is Locked	20 1	21 2	22
23	24 REVISED LE** 3	25 1	26 2	27 3	28 EARLIEST CLOSING AFTER REVISED LE 4	29
30	31 CD ***	1	2	3 LOAN CLOSES!!	4	5

* Assumes creditor is not open Saturday for substantially all of its business functions; also assumes disclosures are delivered to borrower (if mailed- mail box rule kicks in and earliest closing date would be kicked out

** Assumes revised loan estimate is delivered to borrower; if mailbox rule applies; kick out the earliest closing date after the revised loan estimate.

*** NO revised Loan Estimate after the Closing Disclosure has been provided.



Formally known as Tolerances

ZERO VARIATIONS

- The following categories of fees and charges may not increase:
 - Fees paid to the creditor
 - Fees paid to a mortgage brokers
 - Fees paid to an affiliate of the creditor or broker*
 - Fees paid to an unaffiliated third-party if the creditor did not permit the consumer to shop for the service provider*
 - Credit Reports
 - Appraisals
 - Transfer taxes
 - Lender credits

* Under current rules these two categories are both under the 10% aggregate variation levels

1026.19(e)(3)(i)

Specific credits, rebates, or reimbursements may not be disclosed or revised in a way that achieves what would otherwise violate the requirements of § 1026.19(e)(3)(i) and (ii). For example, assume the creditor originally disclosed a \$100 pest inspection fee credit to cover the cost of a \$100 pest inspection fee paid to an affiliated provider and subject to § 1026.19(e)(3)(i). If the pest inspection fee subsequently increases to \$150, and the creditor increases the amount of the pest inspection fee credit from \$100 to \$150 to pay for the increase, the credit is not being revised in a way that would otherwise violate the requirements of § 1026.19(e)(3)(i) because, although the disclosed amount increased, the amount paid by the consumer did not. However, if the creditor disclosed a \$150 pest inspection fee credit to cover the cost of a \$150 pest inspection fee paid to an affiliated provider and subject to § 1026.19(e)(3)(i), and the creditor subsequently decreases the pest inspection fee credit from \$150 to \$100, even though the pest inspection fee remained at \$150, then the requirements of § 1026.19(e)(3)(i) have been violated because, although the disclosed amount did not increase, the amount paid by the consumer for this service did increase

Lender Credits. Lender credits are considered “negative charges” to the consumer. Therefore, a lender credit provided at closing that is less than the estimated lender

credit is considered an increased charge.

10% AGGREGATE VARIATIONS

- The following categories of fees and charges may exceed the amounts disclosed on the Loan Estimate by an aggregate of 10%:
 - Fees paid to an unaffiliated third-party if the creditor permits the consumer to shop for the service and the consumer selects a provider on the list the creditor provides to the consumer
 - Creditor must disclose on the list that consumer may select a service provider not included on the list
 - Recording fees

1026.19(e)(3)(ii)

Aggregate increase limited to 10%. Individual charges within this tolerance level may increase more than 10%, so long as the total (i.e., aggregate) increase of all charges within the level do not exceed 10%.

VARIATIONS PERMITTED

- These fees and charges can exceed the amounts disclosed on the Loan Estimate if they were consistent with the best information reasonably available at the time of disclosure:
 - Prepaid interest
 - Property insurance premium
 - Amounts placed into an escrow account
 - Charges paid to third-party providers not included in the written list
 - Charges paid for third-party services not required by the creditor (these charges may be paid to affiliates of the creditor)

1026.19(e)(3)(iii)

Services for which the consumer may, but does not, select a services provider. If the creditor permits the consumer to shop for a settlement provider, but the consumer either does not select a provider or selects a provider identified by the creditor on the list, the charge for such settlement service falls within the aggregate 10% tolerance level. If the consumer selects a service provider not identified on the list, then the charge may vary freely and good faith is determined pursuant to 1026.19(e)(3)(iii).

Good Faith for non-required services. Original estimated charges, or lack of an estimated charge must be made on the best information reasonably available to the creditor at the time that the estimate was provided. For example, if the subject property is located in a jurisdiction where consumers are customarily represented at closing by their own attorney, but the creditor fails to include a fee for the consumer's attorney, or includes an unreasonably low estimate for such fee, on the Loan Estimate, then the creditor's failure to disclose, or under-estimation, does not comply with §1026.19(e)(3)(iii).

ALLOWABLE REVISIONS

1. Changed circumstance.
2. Consumer requested change.
3. Consumer eligibility/property value changes.
4. Loan Estimate expires.
5. Interest rate dependent charges.
6. Delayed settlement date on construction loan.

1. “Changed Circumstance” means:

- An extraordinary event beyond the control of any interested party or other unexpected event specific to the consumer or transaction;
- Information specific to the consumer or transaction relied upon by the creditor when providing the Loan Estimate that was inaccurate or subsequently changed; or
- New information specific to the consumer or transaction that the creditor did not rely upon when providing the Loan Estimate.

2. The consumer requests revisions to credit terms or the settlement that cause Loan Estimate charges to increase.

3. The consumer is ineligible for a Loan Estimate charge because a changed circumstance affects property value or consumer creditworthiness.

4. Creditors may use a revised Loan Estimate when the original Loan Estimate expires. The original Loan Estimate expires 10 business days (General Definition) after it is provided without the consumer indicating an intent to proceed. Creditors should count the number of business days from the date the original Loan Estimate was delivered or placed in the mail to the consumer using the general business day definition – *i.e.*, day on which the creditor’s offices are open to the public for

carrying on substantially all its business functions. (§ 1026.19(e)(1)(iii) and Comment 19(e)(1)(iii)-1; § 1026.2(a)(6))

5. If the interest rate is not locked when the original Loan Estimate is provided, a revised Loan Estimate **must be provided** on the date the interest rate is locked disclosing the revised interest rate, points, lender credits, and any other interest rate dependent charges and terms that have changed due to the revised interest rate. (§1026.19(e)(3)(iv)(D); Comment 19(e)(3)(iv)(D)-1)

6. Creditors may use a revised Loan Estimate in transactions involving **new construction** and the creditor reasonably expects that closing will occur more than 60 [calendar] days after the original Loan Estimate is provided. Creditors may use a revised Loan Estimate in this circumstance only when the original Loan Estimate clearly and conspicuously stated that at any time prior to 60 days before closing the creditor may issue a revised Loan Estimate. “New construction” is a loan for the purchase of a home not yet constructed or to purchase a home currently under construction, but not if a use and occupancy permit has been issued for the home prior to the issuance of the original Loan Estimate. (§1026.19(e)(3)(iv)(F) and Comment 19(e)(3)(iv)(F)-1)

- It is possible that one of the events described in 1. through 6. above may cause one or more third-party charges subject to a 10% cumulative tolerance to increase. Creditors are permitted to provide and rely upon a revised Loan Estimate only when the cumulative effect of the changed circumstance results in an increase to the sum of all costs subject to the tolerance by more than 10%.
- When creditors revise Loan Estimates for these reasons, the revised Loan Estimate may reflect increased charges only to the extent actually justified by the reason for the revision. (Comment 19(e)(3)(iv)-2) Creditors must also retain records demonstrating compliance with the Loan Estimate requirements in order to comply with the Regulation Z record retention requirements. (Comment 19(e)(3)(iv)-3 and §1026.25)
- Remember, providing a revised Loan Estimate allows creditors to compare the updated figures for charges that have increased due to an event that allows for re-disclosure to the amount actually charged for those services. If amounts decrease or increase only to an extent that does not exceed the applicable tolerance, the original Loan Estimate is still deemed to be in good faith and is used to compare to the actual charges. (Comment 19(e)(3)(iv)(A)-1))

CLOSING DISCLOSURE

CLOSING DISCLOSURE

- Must be received by borrower 3 business days (specific) prior to consummation.
- The consumer is presumed to have received the closing disclosure 3 business days (specific) after mailing.

Specific definition of business days: all calendar days except Sundays and legal public holidays.

Mailbox rule: specific definition of business days.

WHO PROVIDES THE
CLOSING DISCLOSURE?

WHO PROVIDES THE CLOSING DISCLOSURE?

- The creditor is ultimately responsible for timely delivery of an accurate Closing Disclosure to the consumer.
- However, the creditor and settlement agent may agree to share responsibilities in completing and delivering the Closing Disclosure.
- Settlement Agent is responsible for delivering Closing Disclosure to seller.

(1026.19(f)(i) and (ii)))

(Comment.19(f)(1)(v) -2)

Example: The creditor and settlement agent comply with the regulations if the settlement agent agrees to complete only the portion of the Closing Disclosure relating to closing costs for taxes, title fees and insurance premiums, and the creditor agrees to complete the remainder of the Closing Disclosure, provided that either the creditor or settlement agent provides the consumer with a single Closing Disclosure. Also, the creditor and settlement agent may agree that the creditor will deliver the initial Closing Disclosure to the consumer three business days before consummation, and the settlement agent then deliver any corrected disclosures at or before consummation.

PENALTIES

- RESPA
 - No private right of action
- TILA
 - Statutory Penalties
 - Up to \$4k for failure to provide disclosure
 - Private right of action, court costs & attorney fees
- DODD-FRANK
 - \$5k, \$25k or \$1MM per day

(1026.19(f)(i) and (ii)))

(Comment.19(f)(1)(v) -2)

Example: The creditor and settlement agent comply with the regulations if the settlement agent agrees to complete only the portion of the Closing Disclosure relating to closing costs for taxes, title fees and insurance premiums, and the creditor agrees to complete the remainder of the Closing Disclosure, provided that either the creditor or settlement agent provides the consumer with a single Closing Disclosure. Also, the creditor and settlement agent may agree that the creditor will deliver the initial Closing Disclosure to the consumer three business days before consummation, and the settlement agent then deliver any corrected disclosures at or before consummation.

CHANGES TO CLOSING DISCLOSURE BEFORE CONSUMMATION

- New three-business-day waiting period **required** when:
 - Disclosed APR becomes inaccurate
 - Loan product changes
 - Prepayment penalty is added
- New three-business-day waiting period **not required** for other changes

1026.19(f)(2)

Consumer has the right to inspect revised closing disclosure during business day before consummation – This has always been the case under RESPA, but rarely requested by consumer

CHANGES TO CLOSING DISCLOSURE AFTER CONSUMMATION AND CURING TOLERANCE VIOLATIONS

A corrected Closing Disclosure is required after consummation:

1. When an event in connection with the settlement occurs within the 30-day period after consummation, and results in a change to an amount paid by the consumer on the Closing Disclosure to become inaccurate.
 - Deliver or place in mail no later than 30 days after receiving notice of change.
2. To document refunds for tolerance violations
 - Deliver or place in mail no later than 60 days after consummation. Refunds must be mailed 3 business days prior to the 60th day.
3. To correct non-numerical **clerical** errors
 - Deliver or place in mail no later than 60 days after consummation.
 - An error is clerical if it does not affect a numerical disclosure and does not affect the timing, delivery, or other requirements imposed by 1026.19(e) or (f)

Changes due to events occurring after Consummation (1026.19(f)(2)(iii))

- If, during the 30-day period following consummation, an event occurs in connection with the settlement that causes the disclosures to become inaccurate, which results in a change to an amount actually paid by the **consumer** from the amount disclosed on the pre-closing Closing Disclosure, the **creditor** shall deliver or place in the mail to the consumer a corrected disclosure **no later than 30 days after receiving information sufficient to establish that such an event has occurred.**

Example: Assume that consummation took place on Monday and the security instrument is recorded on Tuesday. The creditor learns on Tuesday that the recording fee charged by the recorder's office differs from the amount disclosed on the pre-closing Closing Disclosure, resulting in a change to the amount actually paid by the consumer. The creditor complies with the disclosure requirement if it delivers or places the revised Closing Disclosure in the mail no later than 30 days after Tuesday.

- If, during the 30-day period following consummation, an event occurs in connection with the settlement that causes the disclosures to become inaccurate, which results in a change to an amount actually paid by the **seller**

from the amount disclosed on the pre-closing Closing Disclosure, the **settlement agent** shall deliver or place in the mail to the seller a corrected disclosure **no later than 30 days after receiving information sufficient to establish that such an event has occurred.** Because the change did not result in a change in the amount actually paid by the consumer, the creditor is not required to provide a corrected disclosure to the consumer.

- **Clerical Errors (1026.19(f)(2)(iv))** - A creditor is required to deliver or place in the mail a corrected Closing Disclosure if the previous disclosure contained non-numerical, clerical errors no later than **60 days** after consummation. An error is considered clerical if it does not affect a numerical disclosure and does not affect other requirements imposed by the regulation.

Example: If the Closing Disclosure identifies the incorrect settlement service provider as the recipient of a payment, then the error would be considered clerical. However, if the Closing disclosure listed the incorrect property address, the error would not be considered clerical.

- **Curing Tolerance Violations (1026.19(f)(2)(v))** – If the amounts paid by the consumer at closing exceed the applicable tolerance limitations, the creditor is not deemed to have violated the regulations if the creditor refunds the excess to the consumer and delivers or places in the mail a corrected Closing Disclosure, showing the refund, **no later than 60 days after consummation.**

Example: At consummation, four itemized charges subject to the good faith determination under 1026.19(e)(3)(i) (0% tolerance) exceeded their respective estimates by \$30, \$25, \$25 and \$10, and additional charges subject to the good faith determination under 1026.19(e)(3)(ii) (10% tolerance) totaled \$1,190 but were disclosed as totaling \$1,000 on the Loan Estimate. The creditor complies with the regulations if it refunds \$180 to the consumer and delivers or mails the corrected Closing Disclosure no later than 60 days after consummation.

WORKSHEETS

WORKSHEETS

- If the consumer is provided with a written estimate of terms or costs specific to that consumer prior to receiving the Loan Estimate, it must contain the following disclosure:
 - “Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.”
- Disclosure must be:
 - Clear and conspicuous
 - Located at the top of the first page of the worksheet
 - At least 12-point font.

1026.19(e)(2)(ii)

The disclosure requirement applies only to written information specific to the consumer. For example, if creditor provides a document showing estimated monthly payments based on estimated loan amount and the consumer’s estimated credit score, then the creditor must include the disclosure on the document. In contrast, if the creditor provides the consumer with a preprinted list of closing costs common in the consumer's area, the creditor need not include the warning. Similarly, the warning would not be required on a preprinted list of available rates for different loan products. This requirement does not apply to an advertisement, as defined in § 1026.2(a)(2).

WORKSHEETS (CONT.)

- The worksheet may not contain headings, formatting, or content that is substantially similar to the Loan Estimate or Closing Disclosure.

1026.19(e)(2)(ii)

RECORD RETENTION

RECORD RETENTION

- Loan Estimate **3 years** after consummation
- Closing Disclosure **5 years** after consummation
- Post-Consummation [*if applicable*]
 - Escrow Cancellation Notice **2 Years**
 - Partial Payment Policy **2 years**

1026.19(e)(2)(ii)

LOAN ESTIMATE

FICUS BANK
4321 Random Boulevard • Somers, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 2/15/2013

APPLICANTS Michael Jones and Mary Stone
123 Anywhere Street
Anytown, ST 12345

PROPERTY 456 Somewhere Avenue
Anytown, ST 12345

SALE PRICE \$180,000

LOAN TERM 30 years

PURPOSE Purchase

PRODUCT Fixed Rate

LOAN TYPE ☒ Conventional ☐ FHA ☐ VA ☐

LOAN ID # 123456789

RATE LOCK ☐ NO ☒ YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT.

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$162,000	NO	
Interest Rate	3.875%	NO	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO	
Does the loan have these features?			
Prepayment Penalty	YES • As high as \$3,240 if you pay off the loan during the first 2 years		
Balloon Payment	NO		

Projected Payments				
Payment Calculation	Years 1-7		Years 8-30	
Principal & Interest	\$761.78		\$761.78	
Mortgage Insurance	+	82	+	—
Estimated Escrow <small>Amount can increase over time</small>	+	206	+	206
Estimated Total Monthly Payment	\$1,050		\$968	

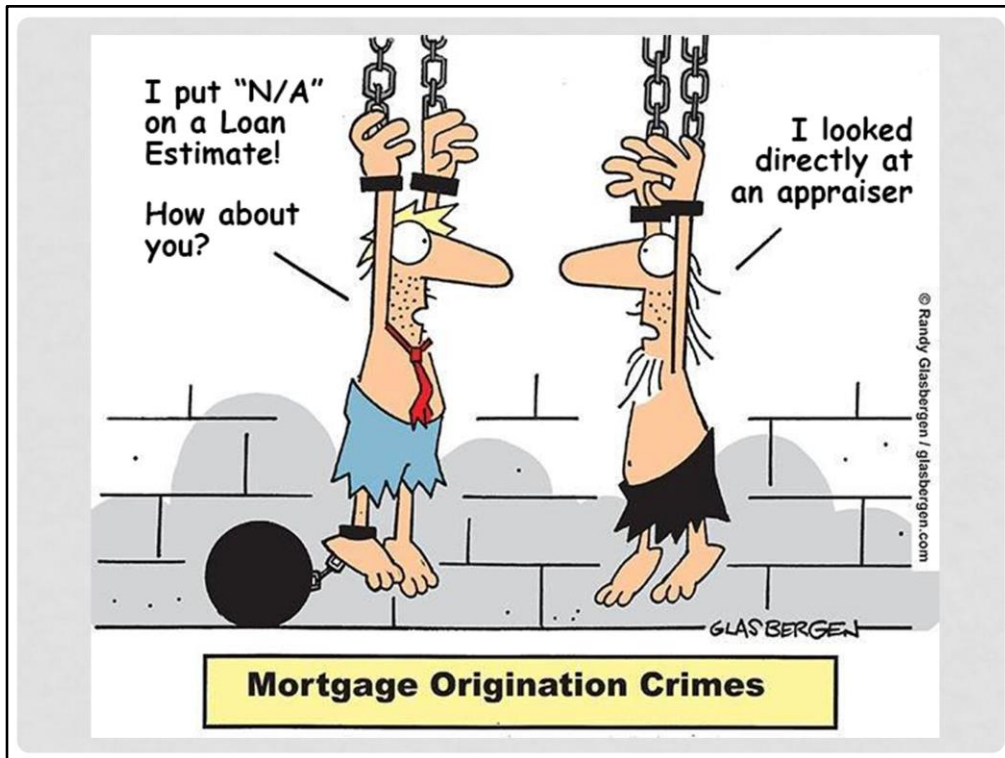
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	\$206 a month	This estimate includes	In escrow?
		<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>	YES YES

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 3 • LOAN ID # 123456789

- Interest rate dependent and non-interest rate dependent terms are separate and not related.
- Non-interest rate costs must be offered until accepted but expire in “10” business days after originally provided if consumer does not indicate an intent to proceed within that time frame.
- Rate lock – No – Yes until.
- Redisclosure required if interest rate dependent terms change.
- Note: Actual Interest rate disclosed this time.



Closing Cost Details	
Loan Costs	
A. Origination Charges	\$1,802
25 % of Loan Amount (Points)	\$405
Application Fee	\$300
Underwriting Fee	\$1,097
B. Services You Cannot Shop For	\$672
Appraisal Fee	\$405
Credit Report Fee	\$30
Flood Determination Fee	\$20
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$75
Tax Status Research Fee	\$110
C. Services You Can Shop For	\$3,198
Pest Inspection Fee	\$135
Survey Fee	\$65
Title - Insurance Binder	\$700
Title - Lender's Title Policy	\$535
Title - Settlement Agent Fee	\$502
Title - Title Search	\$1,261
D. TOTAL LOAN COSTS (A + B + C)	\$5,672
Other Costs	
E. Taxes and Other Government Fees	\$85
Recording Fees and Other Taxes	\$85
Transfer Taxes	
F. Prepaids	\$867
Homeowner's Insurance Premium (6 months)	\$605
Mortgage Insurance Premium (1 months)	
Prepaid Interest (\$17.44 per day for 15 days @ 3.875%)	\$262
Property Taxes (months)	
G. Initial Escrow Payment at Closing	\$413
Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$105.30 per month for 2 mo.	\$211
H. Other	\$1,017
Title - Owner's Title Policy (optional)	\$1,017
I. TOTAL OTHER COSTS (E + F + G + H)	\$2,382
J. TOTAL CLOSING COSTS	\$8,054
D + I	\$8,054
Lender Credits	
Calculating Cash to Close	
Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	-\$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$16,054

LOAN ESTIMATE

PAGE 2 OF 3 - LOAN ID # 123456789

New tolerance rules discussed earlier in presentation.

New method for calculating the lender's title insurance policy premium for disclosure on the Loan Estimate - (Comment 37(f)(2)-4)

- The amount disclosed for the lender's title insurance policy pursuant to 1026.37(f)(2) (services for which the consumer may not shop) or 1026.37(f)(3) (services for which the consumer may shop) is the amount of premium **without** any adjustment that might be made for the simultaneous purchase of an owner's title insurance policy.
- Example:** Assume a purchase transaction for \$400,000.00 with a \$300,000.00 loan. The promulgated premium for the owner's policy is \$2,537.00. The simultaneous premium for the loan policy (under rate rule R-5) is \$100.00. The promulgated premium for a \$300,000.00 loan policy with no R-5 credit is \$1,983.00.
- Under the 2010 RESPA Rule – Block 4 of the GFE would disclose a \$100.00 charge for the loan policy, and Block 5 of the GFE would disclose a \$2,537.00 charge for the owner's policy.
- Under the 2015 Integrated Disclosure Rule – The Loan Estimate would disclose (under "Loan Costs" category B or C) a \$1,983.00 premium for the loan policy and would disclose the owner's policy premium (under "Other Costs" category H) as \$654.00 (\$2,537.00 + \$100.00 - \$1,983.00).

Additional Information About This Loan

LENDER

Ficus Bank

MORTGAGE BROKER

NMLS / LICENSE ID

Joe Smith

NMLS / LICENSE ID

12345

EMAIL

joesmith@ficusbank.com

PHONE

123-456-7890

NMLS / LICENSE ID

NMLS / LICENSE ID

EMAIL

PHONE

Comparisons

Use these measures to compare this loan with other loans.

In 5 Years	\$56,582	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$15,773	Principal you will have paid off.
Annual Percentage Rate (APR)	4.274%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Considerations

Appraisal

We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Assumption

If you sell or transfer this property to another person, we

☐ will allow, under certain conditions, this person to assume this loan on the original terms.
☒ will not allow assumption of this loan on the original terms.

Homeowner's Insurance

This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

Late Payment

If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Servicing

We intend

☐ to service your loan. If so, you will make your payments to us.
☒ to transfer servicing of your loan.

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature

Date

Co-Applicant Signature

Date

LOAN ESTIMATE

PAGE 3 OF 3 - LOAN ID #123456789

TIP – Total interest Percentage – Total amount of interest that you will pay over the term of your loan as a percentage of your loan amount.

Signatures allowed

It is the creditor's discretion whether to provide a signature line for the consumer's signature, but if a signature line is **not** provided, the statement in proposed § 1026.37(n)(1) must be provided.

If there is more than one consumer in the transaction, the first consumer signs as the applicant and each additional consumer signs as a “co-applicant.”

The creditor may add an additional signature page to the back of the form if additional signature lines are necessary to accommodate the number of consumers in the transaction

CLOSING DISCLOSURE

Closing Disclosure This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
Date Issued	4/15/2013	Borrower	Michael Jones and Mary Stone	Loan Term	30 years
Closing Date	4/15/2013		123 Anywhere Street	Purpose	Purchase
Disbursement Date	4/15/2013	Seller	Anytown, ST 12345	Product	Fixed Rate
Settlement Agent	Epsilon Title Co.		Steve Cole and Amy Doe	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #	12-3456		321 Somewhere Drive	Loan ID #	123456789
Property	456 Somewhere Ave	Lender	Anytown, ST 12345	MIC #	000654321
Sale Price	\$180,000		Ficus Bank		

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$162,000	NO	
Interest Rate	3.875%	NO	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO	
Does the loan have these features?			
Prepayment Penalty	YES • As high as \$3,240 if you pay off the loan during the first 2 years		
Balloon Payment	NO		

Projected Payments			
Payment Calculation	Years 1-7	Years 8-30	
Principal & Interest	\$761.78	\$761.78	
Mortgage Insurance	+ 82.35	+ —	
Estimated Escrow <small>Amount can increase over time</small>	+ 206.13	+ 206.13	
Estimated Total Monthly Payment	\$1,050.26	\$967.91	

Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>	\$356.13 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other Homeowner's Association Dues <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	In escrow? YES YES NO
--	---------------------	--	---------------------------------------

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

CLOSING DISCLOSURE PAGE 1 OF 5 • LOAN ID # 123456789

Who provides?

Practical issues

The creditor is ultimately responsible for timely delivery of an accurate Closing Disclosure to the consumer **(1026.19(f)(i) and (ii))**.

However, the creditor and settlement agent may agree to share responsibilities in completing and delivering the Closing Disclosure **(Comment.19(f)(1)(v) -2)**

1026.37(N)

It is the creditor's discretion whether or not to provide a signature line for the consumer's signature, but if a signature line is provided, the statement in proposed § 1026.37(n)(1) must be provided.

If there is more than one consumer in the transaction, the first consumer signs as the applicant and each additional consumer signs as a “co-applicant.”

The creditor may add an additional signature page to the back of the form if

additional signature lines are necessary to accommodate the number of consumers in the transaction

Closing Cost Details

Loan Costs		Borrower-Paid		Seller-Paid		Paid by Others
		At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges		\$1,892.00				
(01) 0.25 % of Loan Amount (Points)		\$405.00				
(02) Application Fee		\$100.00				
(03) Underwriting Fee		\$1,097.00				
(04)						
(05)						
(06)						
(07)						
B. Services Borrower Did Not Shop For		\$236.55				
(01) Appraisal Fee	to John Smith Appraisers Inc.			\$20.80		\$405.00
(02) Credit Report Fee	to Information Inc.					
(03) Flood Determination Fee	to Info Co.	\$20.00				
(04) Flood Monitoring Fee	to Info Co.	\$31.25				
(05) Tax Monitoring Fee	to Info Co.	\$75.00				
(06) Tax Status Research Fee	to Info Co.	\$80.00				
(07)						
(08)						
(09)						
C. Services Borrower Did Shop For		\$3,655.50				
(01) Pest Inspection Fee	to Perks Co.	\$120.50				
(02) Survey Fee	to Survey Co.	\$85.00				
(03) Title - Insurance Binder	to Epision Title Co.	\$600.00				
(04) Title - Lender's Title Insurance	to Epision Title Co.	\$500.00				
(05) Title - Settlement Agent Fee	to Epision Title Co.	\$500.00				
(06) Title - Title Search	to Epision Title Co.	\$800.00				
(07)						
(08)						
D. TOTAL LOAN COSTS (Borrower-Paid)		\$4,694.05				
Loan Costs Subtotal (A + B + C)		\$4,694.05	\$20.80			
Other Costs						
E. Taxes and Other Government Fees		\$85.00				
(01) Recording Fees	owed: \$40.00 Mortgage: \$45.00	\$85.00				
(02) Transfer Tax	to Any State			\$950.00		
F. Prepaids		\$2,120.80				
(01) Homeowner's Insurance Premium (12 mos.) to Insurance Co.		\$1,200.00				
(02) Mortgage Insurance Premium (12 mos.) to Insurance Co.		\$270.00				
(03) Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)		\$603.80				
(04) Property Taxes (6 mos.) to Any County USA		\$613.80				
(05)						
G. Initial Escrow Payment at Closing		\$412.25				
(01) Homeowner's Insurance \$100.00	per month for 2 mos.	\$201.66				
(02) Mortgage Insurance	per month for 2 mos.	\$210.60				
(03) Property Taxes	\$105.30 per month for 2 mos.	\$210.60				
(04)						
(05)						
(06)						
(07)						
(08) Aggregate Adjustment		- 0.01				
H. Other		\$2,400.00				
(01) HOA Capital Contribution	to HOA Assn Inc.	\$500.00				
(02) HOA Processing Fee	to HOA Assn Inc.	\$150.00				
(03) Home Inspection Fee	to Engineers Inc.	\$750.00		\$750.00		
(04) Home Warranty Fee	to XYZ Warranty Inc.				\$450.00	
(05) Real Estate Commission	to Alpha Real Estate Broker				\$5,700.00	
(06) Real Estate Commission	to Omega Real Estate Broker				\$5,700.00	
(07) Title - Owner's Title Insurance (optional)	to Epision Title Co.	\$1,000.00				
(08)						
I. TOTAL OTHER COSTS (Borrower-Paid)		\$5,018.05				
Other Costs Subtotal (E + F + G + H)		\$5,018.05				
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$9,712.10				
Closing Costs Subtotal (D + I)		\$9,692.20	\$20.80	\$12,800.00	\$750.00	\$405.00
Lender Credits						

CLOSING DISCLOSURE

PAGE 2 OF 5 - LOAN ID #123456789

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (B)	\$6,094.00	\$9,712.10	YES - See Total Loan Costs (D) and Total Other Costs (E)
Closing Costs Paid Before Closing	\$0	\$29,800	YES - You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	-\$10,000.00	-\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	-\$2,500.00	YES - See Seller Credits in Section L
Adjustments and Other Credits	\$0	-\$1,035.04	YES - See details in Sections K and L
Cash to Close	\$16,094.00	\$14,147.26	

Summaries of Transactions

Use this table to see a summary of your transaction.

BUYER'S TRANSACTION

K. Due from Borrower at Closing **\$189,762.30**
(1) Sale Price of Property \$180,000.00
(2) Sale Price of Any Personal Property Included in Sale
(3) Closing Costs Paid at Closing (B) \$9,682.30
(4)
(5)
Adjustments
(6)
(7)
(8)
Adjustments for Items Paid by Seller in Advance
(9) City/Town Taxes to
(10) County Taxes to
(11) Assessments to
(12) HOA Dues 4/15/13 to 4/30/13 \$80.00
(13)
(14)
(15)
L. Paid Already by or on Behalf of Borrower at Closing **\$175,615.04**
(1) Deposit \$10,000.00
(2) Loan Amount \$162,000.00
(3) Existing Loan(s) Assumed or Taken Subject to
(4)
(5) Seller Credit \$2,500.00
(6) Rebate from Epsilon Title Co. \$750.00
(7)
Adjustments
(8)
(9)
(10)
(11)
Adjustments for Items Unpaid by Seller
(12) City/Town Taxes 1/1/13 to 4/7/13 \$365.04
(13) County Taxes to
(14) Assessments to
(15)
(16)
(17)
CALCULATION
Total Due from Borrower at Closing (K) \$189,762.30
Total Paid Already by or on Behalf of Borrower at Closing (L) - \$175,615.04
Cash to Close ☒ **From** ☐ **To Borrower** **\$14,147.26**

SELLER'S TRANSACTION

M. Due to Seller at Closing **\$180,080.00**
(1) Sale Price of Property \$180,000.00
(2) Sale Price of Any Personal Property Included in Sale
(3)
(4)
(5)
(6)
(7)
(8)
Adjustments for Items Paid by Seller in Advance
(9) City/Town Taxes to
(10) County Taxes to
(11) Assessments to
(12) HOA Dues 4/15/13 to 4/30/13 \$80.00
(13)
(14)
(15)
(16)
N. Due from Seller at Closing **\$115,665.04**
(1) Excess Deposit
(2) Closing Costs Paid at Closing (B) \$12,800.00
(3) Existing Loan(s) Assumed or Taken Subject to
(4) Payoff of First Mortgage Loan \$100,000.00
(5) Payoff of Second Mortgage Loan
(6)
(7) Seller Credit \$2,500.00
(8)
(9)
(10)
(11)
(12)
(13)
Adjustments for Items Unpaid by Seller
(14) City/Town Taxes 1/1/13 to 4/7/13 \$365.04
(15) County Taxes to
(16) Assessments to
(17)
(18)
(19)
CALCULATION
Total Due to Seller at Closing (M) \$180,080.00
Total Due from Seller at Closing (N) - \$115,665.04
Cash ☐ **From** ☒ **To Seller** **\$64,414.96**

CLOSING DISCLOSURE

PAGE 3 OF 5 - LOAN ID #123456789

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

☐ will allow, under certain conditions, this person to assume this loan on the original terms.

☒ will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

☐ has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.

☒ does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

☐ are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.

☐ may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.

☒ do not have a negative amortization feature.

Partial Payments

Your lender

☒ may accept payments that are less than the full amount due (partial payments) and apply them to your loan.

☐ may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.

☐ does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For new, your loan

☒ will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues
You may have other property costs.		
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

☐ will not have an escrow account because ☐ you declined it ☐ your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations		Other Disclosures	
Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36	Appraisal If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.	
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27	Contract Details See your note and security instrument for information about: • what happens if you fail to make your payments, • what is a default on the loan, • situations in which your lender can require early repayment of the loan, and • the rules for making payments before they are due.	
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00	Liability after Foreclosure If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan, <input checked="" type="checkbox"/> state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information. <input type="checkbox"/> state law does not protect you from liability for the unpaid balance.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%	Refinance Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%	Tax Deductions If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.	

Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z51616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omegabiz	joe@alphabiz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt
By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____

CLOSING DISCLOSURE

Co-Applicant Signature _____ Date _____

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“Liability After Foreclosure” – Not on LE for purchases. Different version is on LE for refi’s. Requires creditor to select one of two options for borrower liability for deficiency in the event of foreclosure. Appears on page 5 of CD for both purchase and refi’s.

IMPLEMENTATION – WHAT’S THE HURRY?


IMPLEMENTATION

REMEMBER: The new Integrated Disclosures must be provided by a creditor or mortgage broker that receives an **application** from a consumer for a closed-end credit transaction secured by real property on or after August 1, 2015.

BEGINNING WELL IN ADVANCE OF AUGUST 1, 2015:

- Identify affected products, departments, and staff;
- Identify the business-process, operational, and technology changes that will be necessary for compliance;

1. Origination, processing, closing and post-closing departmental staff and processes are likely to be most broadly impacted by these rule changes.
2. Closely consider the coverage of the rule to different types of mortgage products.
3. Review your technology platforms and determine which version of MISMO is currently supported. The data standards to support the new **Loan Estimate** and **Closing Disclosure** forms will exist in MISMO version 3.3 and later versions. Also, you must evaluate the current integrations between your technology platforms and those of your relevant third party service providers.
4. Update transaction coverage and calculations; obtain required information or verifications; incorporate new disclosures; and to make sure your software, compliance, quality-control, and recordkeeping protocols comply with this rule.

- 
- Identify impacts on key service providers or business partners; and
 - Identify training needs.

1. All creditors will likely need to carefully coordinate readiness and compliance with the network of settlement services providers on whom they rely for closing services.
2. Creditors should be in close touch with all key business partners and vendors to ensure that their process and technology changes will meet your business and compliance needs and are scheduled to occur on a timeline that supports collaborative readiness.
3. Know the extent of the assistance that vendors, settlement services providers and other business partners provide.
4. Train your loan officers, processors, closing staff, compliance staff, and quality-control staff, as well as anyone else who accepts applications, processes loans, or monitors transaction compliance. Training may also be required for other individuals that you, your agents, or your business partners employ.

RESOURCES

<http://www.bmandg.com/KBYO>

<http://www.consumerfinance.gov/regulatory-implementation/tila-respa/>

<http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook/outlook-live/index.cfm>