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**To:** Clients and Friends

**From:** David F. Dulock

**Subject:** TILA-RESPA Integrated Disclosures Rule Amendments

In the February 19, 2015 *Federal Register* (80 FR 8767) the Consumer Financial Protection Bureau (CFPB) published a final rule ([click here](#)) making the following amendments to the TILA-RESPA Integrated Disclosures Rule: (1) an extension to the timing requirement for providing a revised Loan Estimate when the consumer locks a rate after the initial Loan Estimate is provided; and (2) an amendment to permit language related to new construction loans to be included on the Loan Estimate:

(1) The final rule amends the timing requirement in §1026.19(e)(3)(iv)(D) of Regulation Z for providing a revised Loan Estimate when the interest rate is locked, from the date the interest rate is locked to no later than three business days after the date the rate is locked. Amended §1026.19(e)(3)(iv)(D) reads as follows:

*Interest rate dependent charges.* The points or lender credits change because the interest rate was not locked when the disclosures required under paragraph (e)(1)(i) of this section were provided. No later than three business days after the date the interest rate is locked, the creditor shall provide a revised version of the disclosures required under paragraph (e)(1)(i) of this section to the consumer with the revised interest rate, the points disclosed pursuant to §1026.37(f)(1), lender credits, and any other interest rate dependent charges and terms. (emphasis added)

(2) The final rule amends §1026.37(m) of Regulation Z by adding paragraph (m)(8) to provide for the placement of language relating to certain new construction loans on the Loan Estimate that is required in order for creditors to redisclose estimated charges pursuant to §1026.19(e)(3)(iv)(F). New paragraph (m)(8) reads as follows:

*Construction loans.* In transactions involving new construction, where the creditor reasonably expects that settlement will occur more than 60 days after the provision of the loan estimate, at the creditor's option, a clear and conspicuous statement that the creditor may issue a revised disclosure any time prior to 60 days before consummation, pursuant to § 1026.19(e)(3)(iv)(F).

The final rule also amends §1026.36(g)(2)(ii) of Regulation Z to require the names and the NMLSR IDs for the loan originator organization and individual loan originator to be included on the Loan Estimate and the Closing Disclosure. Additionally, the final rule makes non-substantive corrections, including minor wording changes, corrected or updated citations and cross-references, in Regulations X and Z and their commentaries adopted by the TILA-RESPA Integrated Disclosures Rule.

The rule is effective August 1, 2015, and applies to transactions for which the creditor or mortgage broker receives an application on or after August 1, 2015.

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