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The New TILA-RESPA Integrated Disclosure Requirements

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TRID REQUIREMENTS

TILA-RESPA Integrated Disclosures

The light at the end of the tunnel?



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TRID REQUIREMENTS



or ... an oncoming train!





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AGENDA

- Background
- New Regulations / Changes
- Loan Estimate
- Closing Disclosure
- Penalties
- Record Keeping
- Challenges
- Practical Implications



BACKGROUND

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- Real Estate Sales Procedures Act (RESPA)
 - Anti-kickback legislation
 - Eliminate abusive practices that inflate consumer costs
 - Consumer disclosure requirements
 - Transparency for buyer and seller transaction costs
- Truth in Lending Act (TILA)
 - Informed use of credit
 - Disclosure of credit terms
 - Cost of credit calculators
 - Annual Percentage Rate and Finance Charges
 - Projected payment schedule
 - Enables consumer price comparison



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BACKGROUND

- TILA and RESPA *currently* require two different buyer disclosure forms
- Current Disclosure Timing
 - Both require disclosure three days after application
 - Both require final disclosure shortly before consummation
- Current Disclosure Issues
 - Overlapping information
 - Inconsistent language
 - Can be confusing to consumers



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BACKGROUND


- Congress directed the Consumer Financial Protection Bureau (CFPB) to integrate the TILA and RESPA disclosures
 - *The Dodd-Frank Act*
- TILA-RESPA Integrated Disclosures (TRID) is CFPB's attempt to satisfy congressional mandate and the "Know Before You Owe" campaign
- CFPB Goals for TRID:
 1. Consumer friendly mortgage disclosure forms
 2. Improve consumer understanding
 3. Aid comparison shopping
 4. Prevent surprises at the closing table



NEW REGULATIONS

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- New Disclosure Regulations issued November 2013
- Two New Forms
 - Loan Estimate
 - Closing Disclosure
- Effective Date August 1, 2015  October 3, 2015

	RESPA	TILA	TRID
Application	Good Faith Estimate	Initial TIL	Loan Estimate
Closing	HUD-1	Final TIL	Closing Disclosure

Cannot mix old forms and new forms in any transaction.



NEW REGULATIONS

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- Substantial changes to TILA regulations to combine TILA and RESPA disclosure forms
 - CFPB Regulations X and Z implementing TILA
- GFE and HUD-1 are still in play for some closings
- New Regulation applies to:
 - Most closed-end consumer mortgage loans
- Does not apply to:
 - HELOC
 - Reverse Mortgages
 - Mortgages secured by *mobile homes* or dwellings not attached
- Some differences for time shares and construction loans





NEW REGULATIONS

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- TRID Narrow Definition of “Application”
 - Not previously defined by TILA or RESPA statutes
- CFPB Regulation X: seven elements
 1. Borrower name
 2. Income
 3. SSN
 4. Property address
 5. Estimated property value
 6. Mortgage loan amount
 7. **“Any other information deemed necessary for the originator.”**
- NEW Definition: six elements
 1. Borrower name
 2. Income
 3. SSN
 4. Property address
 5. Estimated property value
 6. Mortgage loan amount



NEW REGULATIONS

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- Timing
 - Loan Estimate
 - Must be provided to consumer within **three business days** of application
 - At least **seven business days** before buyer obligated on the loan
 - Closing Disclosure
 - Must be received by consumer **three business days** prior to closing
 - Consumer may waive the waiting period for “financial emergency”
- Two Definitions of “business days”
 - LE delivery
 - Day on which creditor’s offices are open to public to carry on substantially all functions
 - Waiting period for LE and consumer receipt of CD
 - Includes all calendar days except Sunday and certain federal holidays

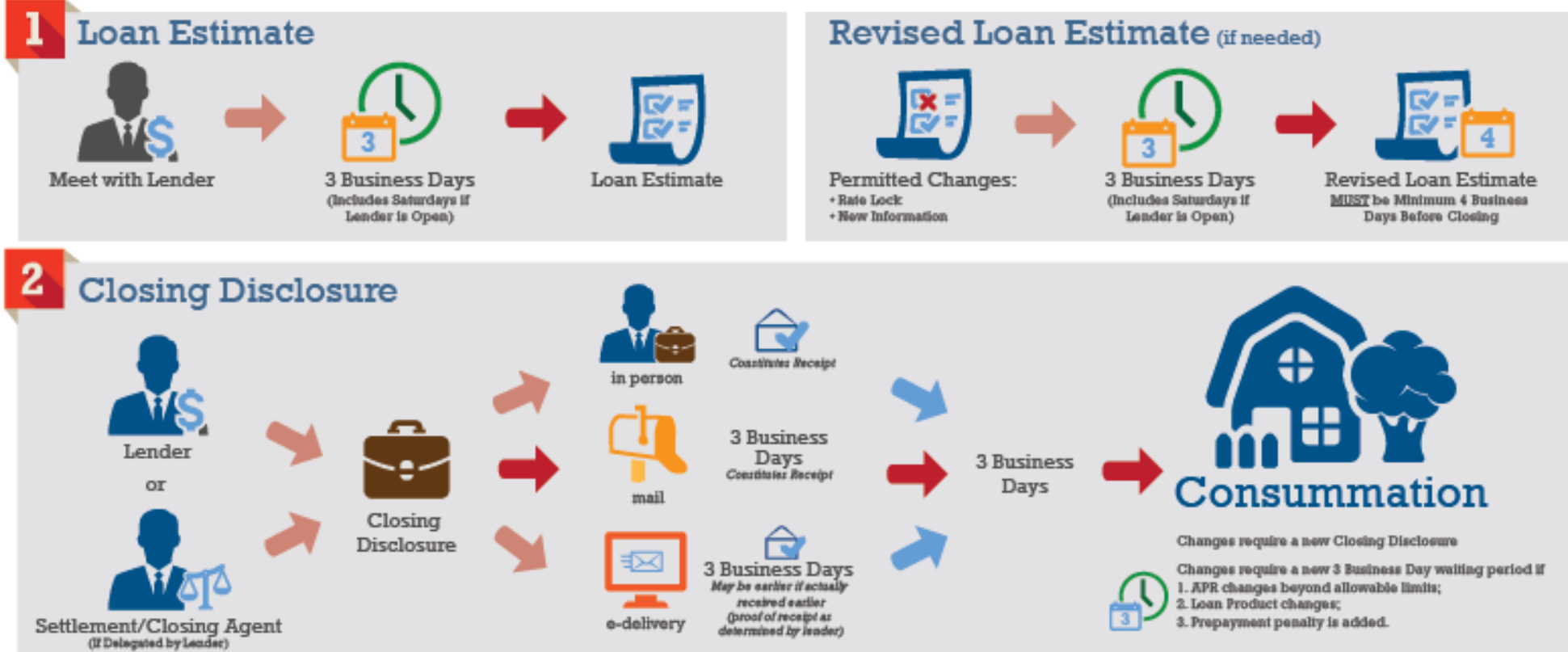


DISCLOSURE TIMELINE

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New Lending Disclosure Timeline

Effective for loan applications received on or after August 1, 2015 | Home Loans | 2 Mandatory Disclosures





CLOSING DISCLOSURE CALCULATION

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Three-Day Closing Disclosure Rule

Day of Consummation	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Disclosures Due Day <small>• Hand Deliver • Deliver by courier with signed receipt</small>	Previous Thursday	Previous Friday	Previous Saturday	Previous Monday	Previous Tuesday	Previous Wednesday
Mail Disclosures	Previous Monday	Previous Tuesday	Previous Wednesday	Previous Thursday	Previous Friday	Previous Saturday

Note

If a federal holiday falls in the three-day period, add a day for disclosure delivery.	The three-day period is measured by days, not hours. Thus, disclosures must be delivered three days before consummation, and not 72 hours prior to consummation.	Disclosures may also be delivered electronically on the disclosure due date in compliance with E-sign requirements.
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NEW REGULATIONS

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- LE Accuracy
 - Disclosures must be:
 - Made in good faith
 - Consistent with the best information reasonably available to the creditor at the time of disclosure
- Charges fall into three tolerance/variation categories
 - **Unlimited tolerance**
 - Prepaid interest
 - Property insurance premiums
 - Escrows
 - Third party service providers consumer selects (not on SSPL)
 - **10% tolerance**
 - Recording fees and third party fees (i.e. not retained by creditor)
 - Charges for services for which consumer can shop
 - **Zero tolerance**
 - Fees to creditors and brokers for services
 - Charges to broker affiliate
 - Charges for services for which consumer cannot shop



NEW REGULATIONS

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- General Rule: creditors are bound by the LE and may not issue revisions, unless ...
 1. Changed circumstances causing charge to increase above tolerance
 2. Changed circumstances affecting the applicant's eligibility or the value of the property
 3. Applicant requested change to terms that increased charges
 4. Interest rate was not locked
 5. LE expires
 - Applicant has 10 business days to indicate intent to proceed
 6. New construction loan
 - Construction delays

Must send new LE within three business days of rate lock.



NEW REGULATIONS

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- List of Service Providers
 - If applicant can shop for a settlement service, creditor must provide a written list of services and third-party providers
 - Must be provided within the same time frame as the LE
 - Must be provided separately from the LE
 - If revised LE includes a new service for which consumer can shop, must either:
 1. Revise list with new service, or
 2. Provide new list with only new service



NEW REGULATIONS

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- Revised LE
 - Creditor must provide revised LE three business days after receiving information that triggered revision
 - Consumer must receive the revised LE no later than four business days before consummation (if delivered in person) or seven business days (if mailed)
 - No revised LE after CD delivered
- Refunds
 - Must cure tolerance violation at closing or refund the excess to the applicant no later than 60 calendar days after consummation
 - 10% cumulative tolerance charges
 - Zero tolerance charges



NEW REGULATIONS

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- CD Accuracy
 - Amounts on CD must not exceed LE with LE variations
 - 10% cumulative tolerance charges
 - Zero tolerance charges
- Corrected CD
 - Pre- and post-consummation changes
 - Must redisclose and wait three more business days if:
 - Disclosed APR becomes inaccurate
 - Loan product change
 - Add prepayment penalty
 - For other changes, OK to deliver new CD at closing

Consumer can “theoretically” waive waiting period for financial emergency.



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HIGHLIGHTS

CURRENT PROCESS	NEW REGULATIONS
Cash to close estimate not on GFE or TIL	LE includes cash to close calculation
No set order for fees on GFE	Fees must generally be disclosed in alpha order
Estimated taxes and insurance disclosed only if escrow required	Estimated taxes, insurance and borrower requested charges may be disclosed on LE or CD (timing)
Revisions due to changed circumstance and borrower requested change disclosed on GFE	Revisions due to changed circumstance and borrower requested change may be disclosed on LE or CD (timing)
Settlement agent generally responsible for HUD-1	Either settlement agent or lender is responsible for preparing CD, settlement agent responsible for seller's information
Final HUD-1 generally given at closing	CD must be received by borrower no later than 3 business days before closing
New TIL and waiting period when APR is out of tolerance	New CD and waiting period when APR is out of tolerance, loan product changes, or add prepayment penalty
Most fees borrower cannot shop for subject to 10% tolerance	Most fees borrower cannot shop for subject to 0% tolerance



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LOAN ESTIMATE

- Page One
 - Loan Terms
 - Loan amount
 - Interest rate
 - Monthly P&I
 - Prepayment penalty
 - Balloon payment
 - Projected Payments
 - Escrow Information
 - Total Estimated Costs
 - Closing costs
 - Cash to close

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate	LOAN TERM PURPOSE PRODUCT LOAN TYPE <input type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> _____ LOAN ID # RATE LOCK <input type="checkbox"/> NO <input type="checkbox"/> YES, until _____ <small>Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on _____.</small>
DATE ISSUED APPLICANTS PROPERTY SALE PRICE	
Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	
Prepayment Penalty	Does the loan have these features?
Balloon Payment	
Projected Payments	
Payment Calculation	
Principal & Interest	
Mortgage Insurance	
Estimated Escrow <small>Amount can increase over time</small>	
Estimated Total Monthly Payment	
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	This estimate includes <input type="checkbox"/> Property Taxes <input 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>
	In escrow?
Costs at Closing	
Estimated Closing Costs	Includes _____ in Loan Costs + _____ in Lender Credits. See page 2 for details.
Estimated Cash to Close	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.



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LOAN ESTIMATE

- Page Two
 - Estimated settlement fees
 - Cash to close, including credits, escrow and down payment
 - Adjustable payment and interest rate tables

Closing Cost Details

Loan Costs

A. Origination Charges

% of Loan Amount (Points)

B. Services You Cannot Shop For

C. Services You Can Shop For

D. TOTAL LOAN COSTS (A + B + C)

Adjustable Payment (AP) Table

Interest Only Payments?

Optional Payments?

Step Payments?

Seasonal Payments?

Monthly Principal and Interest Payments

First Change/Amount

Subsequent Changes

Maximum Payment

LOAN ESTIMATE

Other Costs

E. Taxes and Other Government Fees

Recording Fees and Other Taxes

Transfer Taxes

F. Prepays

Homeowner's Insurance Premium (months)

Mortgage Insurance Premium (months)

Prepaid Interest (per day for days @)

Property Taxes (months)

G. Initial Escrow Payment at Closing

Homeowner's Insurance per month for mo.

Mortgage Insurance per month for mo.

Property Taxes per month for mo.

H. Other

I. TOTAL OTHER COSTS (E + F + G + H)

J. TOTAL CLOSING COSTS

D + I

Lender Credits

Calculating Cash to Close

Total Closing Costs (J)

Closing Costs Financed (Paid from your Loan Amount)

Down Payment/Funds from Borrower

Deposit

Funds for Borrower

Seller Credits

Adjustments and Other Credits

Estimated Cash to Close

Adjustable Interest Rate (AIR) Table

Index + Margin

Initial Interest Rate

Minimum/Maximum Interest Rate

Change Frequency

First Change

Subsequent Changes

Limits on Interest Rate Changes

First Change

Subsequent Changes

PAGE 2 OF 3 - LOAN ID #



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LOAN ESTIMATE

- Page Three
 - Comparisons, including APR and total amount of interest
 - Other disclosures
 - Appraisal
 - Assumption
 - Service transfer
 - Borrower acknowledgement and signature (not required)

Additional Information About This Loan

LENDER
NMLS/____LICENSE ID
LOAN OFFICER
NMLS/____LICENSE ID
EMAIL
PHONE

MORTGAGE BROKER
NMLS/____LICENSE ID
LOAN OFFICER
NMLS/____LICENSE ID
EMAIL
PHONE

Comparisons	Use these measures to compare this loan with other loans.
In 5 Years	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	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 <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input type="checkbox"/> 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 ____ days late, we will charge a late fee of _____
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 <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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 _____



CLOSING DISCLOSURE

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- Page One
 - Same as Loan Estimate page one
 - Loan Terms
 - Loan amount
 - Interest rate
 - Monthly P&I
 - Prepayment penalty
 - Balloon payment
 - Projected Payments
 - Escrow Information
 - Total Estimated Costs
 - Closing costs
 - Cash to close

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	Borrower	Loan Term
Closing Date		Purpose
Disbursement Date		Product
Settlement Agent	Seller	Loan Type <input type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #		<input type="checkbox"/> VA <input type="checkbox"/>
Property	Lender	Loan ID #
Sale Price		MIC #

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	

Prepayment Penalty	Does the loan have these features?
Balloon Payment	

Projected Payments
Payment Calculation
Principal & Interest
Mortgage Insurance
Estimated Escrow <small>Amount can increase over time</small>
Estimated Total Monthly Payment

Estimated Taxes, Insurance & Assessments	This estimate includes	In escrow?
<small>Amount can increase over time. See page 4 for details.</small>	<input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	

Costs at Closing	Includes	In Loan Costs +	In Other Costs -
Closing Costs	<small>In Lender Credits. See page 2 for details.</small>		
Cash to Close	<small>Includes Closing Costs. See Calculating Cash to Close on page 3 for details.</small>		



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CLOSING DISCLOSURE

- Page Two
 - Closing Cost Details
 - All loan costs and other costs paid by borrower, seller and other parties
 - Similar to current HUD-1 page two

Loan Costs	Borrower Paid		Seller Paid		Paid by Others
	All-Closing	Before-Closing	All-Closing	Before-Closing	
A. Origination Charges					
01					
02					
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For					
09					
10					
11					
12					
13					
14					
15					
16					
17					
18					
C. Services Borrower Did Shop For					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
D. TOTAL LOAN COSTS (Borrower Paid)					
Loan Costs Subtotal (A + B + C)					
Other Costs					
E. Taxes and Other Government Fees					
29					
30					
F. Prepaids					
31					
32					
33					
34					
G. Seller/Borrower Payment at Closing					
35					
36					
37					
38					
H. Adjustments					
39					
40					
41					
42					
43					
44					
45					
I. TOTAL OTHER COSTS (Borrower Paid)					
Other Costs Subtotal (E + F + G + H)					
J. TOTAL CLOSING COSTS (Borrower Paid)					
Closing Costs Subtotal (D + I)					
Lender Credit:					



CLOSING DISCLOSURE

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- Page Three
 - Calculating Cash to Close table
 - Similar to Loan Estimate page two
 - Requires comparison to information on Loan Estimate
 - Summaries of Buyer and Seller transactions
 - Similar to HUD-1 page one

Calculating Cash to Close			
Use this table to see what has changed from your Loan Estimate.			
	Loan Estimate	Final	Difference (change)
Total Closing Costs (B)			
Closing Costs Paid Before Closing			
Closing Costs Financed (Paid from your Loan Amount)			
Downpayment (Paid from Borrower)			
Deposit			
Funds for Borrower			
Seller Credits			
Adjustments and Other Credits			
Cash to Close			

Summary of Transactions	
Use this table to see a summary of your transaction.	
BORROWER'S TRANSACTION	SELLER'S TRANSACTION
B. Due from Borrower at Closing	III. Due to Seller at Closing
01 Sale Price of Property	01 Sale Price of Property
02 Sale Price of Any Personal Property Included in Sale	02 Sale Price of Any Personal Property Included in Sale
03 Closing Costs Paid by Using US	03
04	04
Adjustments	05
06	06
07	07
08	08
Adjustments for Items Paid by Seller in Advance	Adjustments for Items Paid by Seller in Advance
09 City/Town Taxes	09 City/Town Taxes
10 County Taxes	10 County Taxes
11 Assessments	11 Assessments
12	12
13	13
14	14
15	15
16	16
17	17
B. Paid Already by or on Behalf of Borrower at Closing	IV. Due from Seller at Closing
01 Deposit	01 Cash Deposit
02 Loan Amount	02 Closing Costs Paid on Closing (B)
03 Building/Contents Assessed or Taken Subject To	03 Building/Contents Assessed or Taken Subject To
04	04 Payoff of First Mortgage Loan
05 Seller Credits	05 Payoff of Second Mortgage Loan
06 Other Credits	06
07	07
08	08 Seller Credit
09	09
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
Adjustments for Items Unpaid by Seller	Adjustments for Items Unpaid by Seller
20 City/Town Taxes	20 City/Town Taxes
21 County Taxes	21 County Taxes
22 Assessments	22 Assessments
23	23
24	24
25	25
26	26
27	27
28	28
29	29
CALCULATION	CALCULATION
Total Due from Borrower at Closing (B)	Total Due to Seller at Closing (III)
Total Paid Ahead by or on Behalf of Borrower at Closing (B)	Total Due from Seller at Closing (IV)
Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Borrower	Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller



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CLOSING DISCLOSURE

- Page Four
 - Loan Disclosures
 - Assumption
 - Demand feature
 - Late payment
 - Negative amortization
 - Partial payments
 - Security interest
 - Escrow account
 - Adjustable Payment and Interest Rate Tables
 - Only if applicable to the transaction

Additional Information About This Loan

Loan Disclosure

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 this loan. You should review your note for details.
 does not have a demand feature.

Late Payment
If your payment is more than _____ days late, your lender will charge a late fee of _____.

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 (negative amortization), 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 (negative amortization), 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 _____.

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

Escrow Account
For new, year loan
 will have an escrow account (also called an "impound" or "trust" account) to pay the property taxes and local taxes. 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	Estimated total amount over year 1 for your escrowed property costs
Non-escrowed Property Costs over Year 1	Estimated total amount over year 1 for your non-escrowed property costs

You may have other property costs.

Initial Escrow Payment
A portion for the escrow account you pay at closing. See Section 5 on page 2.

Monthly Escrow Payment
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.

Due Dates

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 Reserve Fee	

in the future.
Your property costs may change and, as a result, your escrow payment may change. You may be able to cure or pay an 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 amount to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for growth insurance that the lender buys on your behalf, which likely would cost more and provide lower benefits than what you could buy on your own.

Adjustable Payment (AP) Table

Interest Only Payments?
Optional Payments?
Step Payments?
Seasonal Payments?
Monthly Principal and Interest Payments
First Change Amount
Subsequent Changes
Maximum Payment

Adjustable Interest Rate (AIR) Table

Index + Margin
Initial Interest Rate
Minimum Difference to New Rate
Change Frequency
First Change
Subsequent Changes
Limits on Interest Rate Changes
First Change
Subsequent Changes



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CLOSING DISCLOSURE

- Page Five
 - Loan Calculations
 - Total payments
 - Finance charge
 - Amount financed
 - APR
 - Total interest percentage
 - Other Disclosures
 - Appraisal (if applicable)
 - Contract details
 - Liability after foreclosure
 - Refinance
 - Tax deductions
 - Contract Information
 - Signature Lines

Loan Calculations		Other Disclosures			
Level of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.		Appraisal. If the property was appraised for your loan, your lender is required to give you a copy of the appraisal 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.		Contract Details. See your note and security instrument for information about: <ul style="list-style-type: none">- what happens if you fail to make your payments,- what to do if you are late 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.		Liability after foreclosure. If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan: <ul style="list-style-type: none"><input 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 that 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 stated rate.		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.		Tax Deductions. If you borrow more than the property is worth, the interest on the loan amount above the 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/whistleblower-closing .					
Contact Information					
Name	Lender	Mortgage Broker	Real Estate Broker (1)	Real Estate Broker (2)	Settlement Agent
Address					
NMLS ID					
... License ID					
Contact					
Contact NMLS ID					
Contact ... License ID					
Email					
Phone					
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		



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PENALTIES

- TILA Violation
 - Private right of action plus attorney fees and costs
 - Statutory penalties up to \$4,000 for failure to provide TILA disclosures (finance charges and APR)
- RESPA Violation
 - No private right of action
 - Private right of action under other laws
- Dodd-Frank Act
 - \$5,000, \$25,000 or \$1 million per day (if reckless or knowing)



RECORD KEEPING

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- General Requirement: three years from later of ...
 1. Date of consummation
 2. Date of disclosure
 3. Date action required to be taken
- LE: three years for disclosure and evidence of compliance (any revisions)
- Mortgage Brokers must comply with creditor duties if providing the LE
- CD and related documents: five years from consummation
 - Creditor must provide copy of CD and related documents to new servicer
 - New servicer retains for remainder of five year period



CHALLENGES

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- Dynamic use of forms
- Fees in alpha order (without standardized numbers)
- Space limitations
- Tighter tolerances
- Waiting periods
- Impact on creditor and closing agent roles?
- Earlier closing packages?
- Who will provide LE and CD?
- More open communication?
- Disbursement Form?



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PRACTICAL IMPLICATIONS



- CD & LE Model Forms
- Questions?
- Discussion Items?
- Wrap-up



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