Disclaimer

- The Bureau issued the TILA-RESPA Integrated Disclosure final rule in November of 2013 to implement provisions under the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- The Final Rule will take effect in August 2015.
- Examples of the forms shown are not consistent with a single transaction.
- This presentation is current as of November 18, 2014. This presentation does not represent legal interpretation, guidance or advice of the Bureau. While efforts have been made to ensure accuracy, this presentation is not a substitute for the rule. Only the rule and its Official Interpretations can provide complete and definitive information regarding requirements. This document does not bind the Bureau and does not create any rights, benefits, or defenses, substantive or procedural, that are enforceable by any party in any manner.

CFPB Resources

- Dedicated Regulatory Implementation Website: http://www.consumerfinance.gov/regulatory-implementation/tila-ressp
  - Small Entity Compliance Guide
  - Guide to Forms
  - Disclosure Timeline Illustration
  - Sample and Annotated Forms
  - Links to Webinars
  - Additional Guidance Materials
- eRegulations Tool: http://www.consumerfinance.gov/eregulations
Recent Events and Publications

- **Webinars**
  - Rule overview: 6/17/2014
  - Frequently asked questions: 8/26/2014
  - Loan Estimate contents: 10/1/2014

- **Publications**
  - Disclosure Timeline Illustration
  - Readiness Guide

- **Proposed Rule**
  - Amendments to the 2013 Integrated Mortgage Disclosures Rule Under the Real Estate Settlement Procedures Act (Regulation X) and Truth In Lending Act (Regulation Z) and the 2013 Loan Originator Rule Under the Truth in Lending Act (Regulation Z)
  - Redisclosure for rate locks and new construction loans
  - Technical changes
  - Comment period closed 11/10/14

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Closing Disclosure Form, Page 1
1026.38(a)-(d)

- Closely mirrors Page 1 of the Loan Estimate
- Guide to Forms Section 3.2
- Sample forms available on regulatory implementation website
- Regulatory provisions: 1026.38(a)-(d)

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Page 1: General Information
1026.38(a); Guide to Forms Section 3.2.1

**Closing Disclosure**

- Title: 1026.38(a)(1)
- Purpose: 1026.38(a)(2)
Closing Information: 1026.38(a)(3)
- Date Issued: 1026.38(a)(3)(i)
- Closing Date: 1026.38(a)(3)(ii)
- Disbursement Date: 1026.38(a)(3)(iii)
- Settlement Agent: 1026.38(a)(3)(iv)
- File #: 1026.38(a)(3)(v)
- Property: 1026.38(a)(3)(vi) (cross-ref. to 1026.37(a)(6))
- Sale Price: 1026.38(a)(3)(vii)

Transaction Information: 1026.38(a)(4)
- Borrower: 1026.38(a)(4)(i)
- Seller: 1026.38(a)(4)(ii)
- Lender: 1026.38(a)(4)(iii)

Loan Information: 1026.38(a)(5)
- Loan Term: 1026.38(a)(5)(i) (cross-ref. to 1026.37(a)(8))
- Purpose: 1026.38(a)(5)(ii) (cross-ref. to 1026.37(a)(9))
- Product: 1026.38(a)(5)(iii) (cross-ref. to 1026.37(a)(10))
- Loan Type #: 1026.38(a)(5)(iv) (cross-ref. to 1026.37(a)(11))
- Loan ID #: 1026.38(a)(5)(v) (cross-ref. to 1026.37(a)(12))
- Mortgage Insurance Case Number (MIC #): 1026.38(a)(5)(vi)
Each element of the Loan Terms table on the Closing Disclosure under 1026.38(b) is the same as on the Loan Estimate under 1026.37(b), updated to reflect the final terms of the legal obligation.

The elements of the Projected Payments table on the Closing Disclosure under 1026.38(c) are the same as on the Loan Estimate under 1026.37(c), updated to reflect the final terms of the legal obligation, except:

- Different rules for Estimated Escrow and Estimated Taxes, Insurance & Assessments
- Different references to Escrow Account information

The elements of the Costs at Closing table under 1026.38(d) are the same as on the Loan Estimate under 1026.37(d), updated to reflect the final terms of the legal obligation, except:

- Standard Table: 1026.38(d)(i)
- Alternative Table (transactions with no seller): 1026.38(d)(ii)
Sample forms available on regulatory implementation website

Regulatory provisions: 1026.38(f)-(h)

First item disclosed is for points paid to the creditor to reduce the interest rate. (1026.37(f)(1)(i))

Loan originator compensation paid by the creditor to a third-party loan originator is also disclosed under Origination Charges but is shown in the Paid by Others column. (Comment 38(f)(1)(2)) A designation of "(L)" may be used to denote that the creditor (lender) paid that amount to the third-party loan originator. (Comment 38(f)(1))
### Page 2: Services Borrower Did Not Shop For

**1026.38(f)(2); Guide to Forms Section 3.3.1**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Agreement, Inc.</td>
<td>$1048</td>
</tr>
<tr>
<td>Other Services</td>
<td>$1048</td>
</tr>
</tbody>
</table>

Items disclosed as Services You Can Shop For on the Loan Estimate (1026.37(f)(3)) will move into this category when the consumer chooses a provider on the written list provided by the creditor with the Loan Estimate for that item. (1026.38(f)(2))

### Page 2: Services Borrower Did Shop For

**1026.38(f)(3); Guide to Forms Section 3.3.1**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Agreement, Inc.</td>
<td>$1048</td>
</tr>
<tr>
<td>Other Services</td>
<td>$1048</td>
</tr>
</tbody>
</table>

Items disclosed as Services You Can Shop For on the Loan Estimate (1026.37(f)(3)) are shown here when the consumer chooses a provider that was not on the written list provided by the creditor with the Loan Estimate for that item. (1026.37(f)(3))

### Page 2: Other Costs

**1026.38(g); Guide to Forms Section 3.3.2**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Costs</td>
<td>$1048</td>
</tr>
<tr>
<td>Other Services</td>
<td>$1048</td>
</tr>
</tbody>
</table>

Items disclosed as Services You Can Shop For on the Loan Estimate (1026.37(f)(3)) are shown here when the consumer chooses a provider that was not on the written list provided by the creditor with the Loan Estimate for that item. (1026.37(f)(3))
### Page 2: Taxes and Other Government Fees

<table>
<thead>
<tr>
<th>Fees</th>
<th>1026.38(g)(1); Guide to Forms Section 3.3.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recording fees:</td>
<td>1026.38(g)(1)(i)</td>
</tr>
<tr>
<td>Transfer taxes:</td>
<td>1026.38(g)(1)(ii)</td>
</tr>
</tbody>
</table>

**Recording fees:**
- 1026.38(g)(1)(i)

**Transfer taxes:**
- 1026.38(g)(1)(ii)

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**Q:** How does the disclosure of recording fees differ between the Loan Estimate and Closing Disclosure? (compare 1026.37(g)(1)(i) with 1026.38(g)(1)(i))

**Q:** How should creditors disclose the name of the government entity to whom a transfer tax fund is distributed? (1026.38(g)(1)(ii))

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### Page 2: Prepaids; Initial Escrow Payment at Closing

**Prepaids:**
- 1026.38(g)(2) (cross-reference to 1026.37(g)(2))

**Initial Escrow Payment at Closing:**
- 1026.38(g)(3) (cross-reference to 1026.37(g)(3))
Page 3: Calculating Cash to Close
1026.38(i); Guide to Forms Section 3.4.1

The amounts that were disclosed on the Loan Estimate are disclosed in the first column. (1026.38(i))

Page 3: Summaries of Transactions
1026.38(j)-(k); Guide to Forms Section 3.4.3

• Similar to HUD-1 page 1

Page 3: Calculating Cash to Close
1026.38(i); Guide to Forms Section 3.4.1

The amounts that were disclosed on the Loan Estimate are disclosed in the first column. (1026.38(i))
Sample forms available on regulatory implementation web site

Includes the Adjustable Payment (AP) and Adjustable Interest Rate (AIR) tables at bottom of page 4, when applicable (1026.38(m) & (n))

Sample forms available on regulatory implementation web site

Regulatory provisions: 1026.38(l)-(n)

Q: How a lender applies a partial payment may vary depending on the circumstances. Is a lender required to choose only one option for the Partial Payments disclosure required by § 1026.38(l)(5), or is it possible to check multiple boxes?

Sample forms available on regulatory implementation web site

Regulatory provisions: 1026.38(o)-(s)
The creditor must disclose a statement of whether the consumer may remain responsible for any deficiency after foreclosure under applicable state law. (1026.38(p)(j)). See also comment 38(p)(j)-1.

Q: What constitutes an anti-deficiency law for purposes of this disclosure?

Q: Do statutes of limitations on obtaining or collecting a deficiency judgment count as anti-deficiency protections for purposes of this disclosure?

Q: Are state laws that limit how much a creditor may collect in an anti-deficiency judgment considered anti-deficiency protections for purposes of this disclosure?

Q: How should a creditor make this disclosure if a state anti-deficiency law could apply to the loan, but whether it ultimately would apply depends on facts and circumstances at the time of foreclosure?

Q: What should creditors do if the information required to be disclosed doesn’t fit in the space allotted on the form?

Q: Is there a model or sample of an addendum?

Q: Is there anything creditors are required to include on the addendum? (1026.17(a)(1))

Q: What are the formatting requirements for the addendum? (Comment 38(t)(5))