

TRID

What is TRID?

TRID is an acronym for TILA- RESPA Integrated Disclosure (also referred to as the TILA-RESPA Rule) and applies to most closed-end Borrower credit transactions secured by real property. The rule does not apply to HELOCs, reverse mortgage, and a dwelling not attached to real property (i.e. mobile homes)).

TRID consolidates four existing disclosures required under TILA and RESPA for closed-end credit transactions secured by real property into two forms:

- a **Loan Estimate** (combines the Good Faith Estimate and the Initial Truth-In-Lending Statement)
- a **Closing Disclosure** (combines the HUD-1 and the Final Truth-In-Lending Statement)

What is the Effective Date of the TILA-RESPA rule?

The new disclosures must be provided for all loan applications **received on or after August 1, 2015**. Applications **received prior to August 1, 2015** will still use the current GFE, HUD-1, and Truth-in-Lending forms.

If the Loan Estimate is not provided to the Borrower in person, the Borrower is considered to have received the Loan Estimate **three business days** after it is delivered or placed in the mail.

The Loan Estimate must also be delivered or placed in the mail **no later than the seventh business day** before consummation* of the transaction.

* **Consummation** occurs when the Borrower becomes contractually obligated to the Lender on the loan. (Purchase = Date of Closing; Refinance = End of Rescission Period; Escrow States = Date of Disbursement)

The Borrower may modify or waive the **seven-business-day waiting period** after receiving the Loan Estimate if the Borrower has a **bona-fide personal financial emergency** that necessitates consummating the credit transaction before the end of the waiting period.

Are there any Other Requirements that take Effect on August 1, 2015?

In addition to the implementation of the new disclosures, the following restrictions take effect on August 1, 2015, **regardless of whether an application has been received on that date**:

- No fees may be imposed on a Borrower in connection with the loan application until the Borrower has **received the Loan Estimate AND** has **indicated intent to proceed** with the transaction.
- Providing written estimates of terms or costs specific to Borrowers before they receive the Loan Estimate without a written statement informing the Borrower that the terms and costs may change; and
- Requiring the submission of documents verifying information related to the Borrower's application before providing the Loan Estimate.

What are the Timing Requirements for Revisions to a Loan Estimate?

A revised Loan Estimate must be delivered or placed in the mail to the Borrower **no later than three business days** after receiving a bona fide change circumstance.

A revised Loan Estimate **cannot** be issued on or after the date the Closing Disclosure is provided.

The revised Loan Estimate must be received by the Borrower **no later than four business days** prior to consummation. If the revised Loan Estimate is being mailed it must be placed in the mail **no later than seven business days** before consummation of the transaction to allow 3 business days for receipt.

However, if the Lender has evidence that the Borrower received the revised Loan Estimate **earlier than three business days** after it is mailed or delivered, it may rely on that evidence and consider it to be received on that date.

NOTE: For purposes of the **four-business-day** period prior to consummation, "business day" means all calendar days except Sundays and legal public holidays 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.

Can a Loan Estimate be Revised after a Closing Disclosure already has been provided?

No. A revised Loan Estimate **may not** be provided on or after the date the Lender provides the Borrower with the Closing Disclosure. Because the Closing Disclosure must be provided to the Borrower **no later than three business days** before consummation, this means the Borrower must receive a revised Loan Estimate **no later than four business days** prior to consummation.

What if a Changed Circumstance Occurs Too Close to Consummation for the Lender to Provide a Revised Loan Estimate?

If there are [less than four business days](#) in between the time a the revised Loan Estimate would have been required to be provided to the Borrower and consummation, the Lender may provide a Closing Disclosure reflecting any revised charges resulting from the changed circumstance and rely on those figures (rather than the amounts disclosed on the Loan Estimate) for purposes of determining good faith and the applicable tolerance.

- If the changed circumstance occurs [between the fourth and third business days](#) from consummation, the Lender may reflect the revised charges on the Closing Disclosure provided to the Borrower three business days before consummation.
- If the event occurs [after the first Closing Disclosure](#) has been provided to the Borrower (i.e., within the three-business-day waiting period before consummation), the Lender may use revised charges on the Closing Disclosure provided to the Borrower at consummation, and compare those amounts to the amounts charged for purposes of determining good faith and tolerance.

What are the General Requirements for the Closing Disclosure?

The Borrower must receive the [Closing Disclosure no later than three business days](#) before consummation of the loan and generally must contain the actual terms and costs of the transaction. Lenders may estimate disclosures using the best information reasonably available when the actual term or cost is not reasonably available to the Lender at the time the disclosure is made. The Lender is required to provide corrected disclosures containing the actual terms of the transaction at or before consummation.

If the actual terms or costs of the transaction change prior to consummation, the Lender must provide a corrected disclosure that contains the actual terms of the transaction and comply with the timing requirements, and requirements for providing corrected disclosures due to subsequent changes.

NOTE: If a corrected disclosure is issued, the Borrower must be provided with an [additional three-business-day waiting period](#) prior to consummation.

Can a settlement agent provide the Closing Disclosure on the Lender's behalf?

Yes. The settlement agent may provide the Closing Disclosure to Borrowers on the Lender's behalf. But it is the Lender's is legally responsibility to ensure that the Closing Disclosure meets the delivery and required timing requirements, as well as, for any errors or defects.

What changes before consummation require a new waiting period

If one of the following occurs after delivery of the Closing Disclosure and before consummation, the Lender must provide a corrected Closing Disclosure containing all changed terms and ensure that the Borrower receives it [no later than three business days](#) before consummation.

- **The disclosed APR becomes inaccurate.** If the annual percentage rate (APR) previously disclosed becomes inaccurate, the Lender must provide a corrected Closing Disclosure with the corrected APR disclosure and all other terms that have changed. The APR's accuracy is determined according to § 1026.22.
- **The loan product changes.** If the loan product previously disclosed becomes inaccurate, the Lender must provide a corrected Closing Disclosure with the corrected loan product and all other terms that have changed.
- **A prepayment penalty is added.** If a prepayment penalty is added to the transaction, the Lender must provide a corrected Closing Disclosure with the prepayment penalty provision disclosed and all other terms that have changed.

What changes do not require a new three-day waiting period?

For any other changes before consummation that do not fall under the three categories above (i.e., related to the APR, loan product, or the addition of a prepayment penalty), the Lender still must provide a corrected Closing Disclosure with any terms or costs that have changed and ensure that the Borrower receives it.

For these changes, there is [no additional three-business-day waiting period](#) required. The Lender must ensure only that the Borrower receives the revised Closing Disclosure [at or before](#) consummation.



Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED
APPLICANTS

Rate lock no longer has impt. dates section

LOAN TERM
PURPOSE
PRODUCT
LOAN TYPE Conventional FHA VA _____
LOAN ID #
RATE LOCK NO YES, until
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on

Loan Terms	Can this amount increase after closing?
Loan Amount	
Interest Rate	
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	
Prepayment Penalty	Does the loan have these features?
Balloon Payment	
Projected Payments	
Payment Calculation	
Principal & Interest	
Mortgage Insurance	
Estimated Escrow <i>Amount can increase over time</i>	Yes or no itemization for escrow
Estimated Total Monthly Payment	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	This estimate includes <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>
Costs at Closing	
Estimated Closing Costs	Includes _____ in Loan Costs + _____ in Other 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.

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

Closing Cost Details

Loan Costs

A. Origination Charges
% of Loan Amount (Points)

Zero tolerance bucket

B. Services You Cannot Shop For

Zero tolerance bucket

C. Services You Can Shop For

Tolerance may vary up or down any amount if borrower selects provider not disclosed on SSPL; otherwise subject to 10% aggregate variance; Owners Title ins may vary regardless

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	

2 new Tables for Variable loans – index and margin now disclosed

Other Costs

E. Taxes and Other Government Fees

Recording Fees and Other Taxes
Transfer Taxes

Zero tolerance

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

Formula view similar to DOT

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

Funds for borrower -0- in purchase transaction

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	



LE page 3

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
 - 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 ___ 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
 - 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 _____

New comparison TIP now disclosed- total amount of interest paid as percentage of the loan amount

ECOA verbiage for Right to Copy of Appraisal now included within LE

RESPA requirement for Servicing Disclosure now included within LE

Signature line is now available but not required; would like AOHL to format as electronic signature type



TRID Policy Impact Considerations

Forms Review- Closing Estimate

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	Overall sections of page 1 mirror LE
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	
	Does the loan have these features?
Prepayment Penalty	
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 See page 4 for details</small>	This estimate includes <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>	in escrow?
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Costs at Closing

Closing Costs	Includes _____ in Loan Costs + _____ in Lender Credits. See page 2 for details.	in Other Costs - _____
Cash to Close	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.	

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
C. Services Borrower Did Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)					
Loan Costs Subtotals (A + B + C)					
Other Costs					
E. Taxes and Other Government Fees					
01 Recording Fees	Deed:	Mortgage:			
02					
F. Prepays					
01 Homeowner's Insurance Premium (mo.)					
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (per day from to)					
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing					
01 Homeowner's Insurance	per month for	mo.			
02 Mortgage Insurance	per month for	mo.			
03 Property Taxes	per month for	mo.			
04					
05					
06					
07					
08 Aggregate Adjustment					
H. Other					
01					
02					
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)					
Other Costs Subtotals (E + F + G + H)					
J. TOTAL CLOSING COSTS (Borrower-Paid)					
Closing Costs Subtotals (D + I)					
Lender Credits					

3 column table for borrower/seller or "other" Paid designations; comp from a creditor to TPO is Paid by Other and (L) can be shown by amount

Reflect costs charged to borrower or seller not required to be disclosed on LE- ex. HOA/inspection fee/RE brokerage fees/ warranties

All general lender credits shown here; if credit is to offset a charge for item on pg 2 of the CD, the amount should be listed with the item and (L) designated next to the fee



TRID Policy Impact Considerations

Forms Review- Closing Estimate

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 (J)				
Closing Costs Paid Before Closing				
Closing Costs Financed (Paid from your Loan Amount)				
Down Payment/Funds from Borrower				
Deposit				
Funds for Borrower				
Seller Credits				
Adjustments and Other Credits				
Cash to Close				

9 item comparison chart for LE vs. Final with clear notation of changes for the consumer- if answer is yes you must indicate where the change can be found on the LE

Summaries of Transactions		Use this table to see a summary of your transaction.		
BORROWER'S TRANSACTION		SELLER'S TRANSACTION		
K. Due from Borrower at Closing		M. 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 at Closing (J)		03 Closing Costs Paid at Closing (J)		
04		04		
05		05		
06		06		
07		07		
Adjustments		Adjustments for Items Paid by Seller in Advance		
08 City/Town Taxes to		09 City/Town Taxes to		
09 County Taxes to		10 County Taxes to		
10 Assessments to		11 Assessments to		
11		12		
12		13		
13		14		
14		15		
15		16		
L. Paid Already by or on Behalf of Borrower at Closing		N. Due from Seller at Closing		
01 Deposit		01 Excess Deposit		
02 Loan Amount		02 Closing Costs Paid at Closing (J)		
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to		
04		04 Payoff of First Mortgage Loan		
05 Seller Credit		05 Payoff of Second Mortgage Loan		
06		06		
07		07		
08		08 Seller Credit		
09		09		
10		10		
11		11		
12		12		
13		13		
Other Credits		Adjustments for Items Unpaid by Seller		
06 City/Town Taxes to		14 City/Town Taxes to		
07 County Taxes to		15 County Taxes to		
08 Assessments to		16 Assessments to		
09		17		
10		18		
11		19		
Adjustments for Items Unpaid by Borrower		Adjustments for Items Unpaid by Borrower		
12 City/Town Taxes to		20 City/Town Taxes to		
13 County Taxes to		21 County Taxes to		
14 Assessments to		22 Assessments to		
15		23		
16		24		
17		25		
CALCULATION		CALCULATION		
Total Due from Borrower at Closing (K)		Total Due to Seller at Closing (M)		
Total Paid Already by or on Behalf of Borrower at Closing (L)		Total Due from Seller at Closing (N)		
Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Borrower		Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller		

Other credits are from a party other than seller or creditor- ex. RE agent or escrow balance transfer

For a refi lender can replace this summary with payoffs and payments table

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 ___ 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 (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 _____

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

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	

Escrow table to review account over 1 year period; property costs include

Escrow Account HOA*
For now, 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		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 cushion for the escrow account you pay at closing. See Section 6 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.

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.

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	

Variable tables from LE included



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.		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.		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 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.		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 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.		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 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.			
<p>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</p> <p>Note the reference to the CFPB for comment or to file a complaint</p>					
Contact Information					
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name					
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		

Loan Calculations are representative of information typically found on the TIL; new TIP amount is disclosed again; **NOTE: feedback to the bureau from consumers deemed that APR was not an important factor in choosing a lender or program.** Hence it was moved to the last page of the CD.

* Appraisal- ECOA appraisal provision 3 business days prior to closing located here. (HPML)

Loan contact information required; NMLS licensing information captured for creditor and originator.

Signature line is now available but not required; would like AOHL to format as electronic signature type