Outlook Live Webinar- November 18, 2014

TILA-RESPA Integrated Disclosures, Part 4 - Completing the Closing Disclosure

Presented by the Consumer Financial Protection Bureau

The content of this webinar is current as of the date the webinar was originally presented. This webinar has not been updated since its original presentation date and does not reflect the changes and clarifications set forth in the final rule issued on July 7, 2017.

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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.

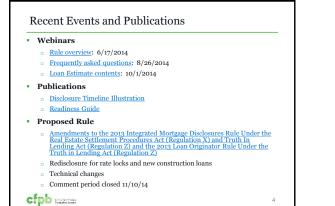
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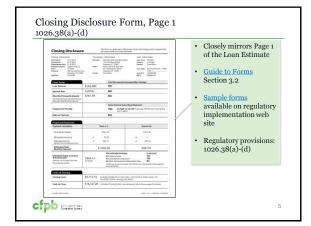
CFPB Resources

- Dedicated Regulatory Implementation Website: http://www.consumerfinance.gov/regulatory-implementation/tilarespa/
 - <u>Small Entity Compliance Guide</u>
 - Guide to Forms
 - Disclosure Timeline Illustration
 - Sample and Annotated Forms
 - Links to Webinars
 - Additional Guidance Materials
- eRegulations Tool: http://www.consumerfinance.gov/eregulations

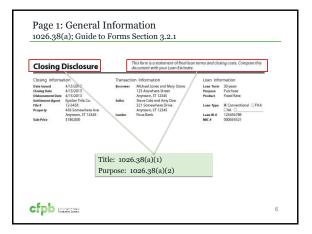
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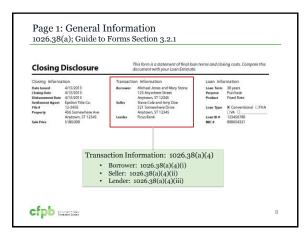






Closing Disclosur	This form is a statement of final load document with your Loan Estimate.	n terms and closing costs. Compare this
Closing Information	Transaction Information	Loan Information
Date Issued 4/15/2013 Closing Date 4/15/2013 Disbursement Date 4/15/2013	Borrower Michael Jones and Mary Stone 123 Anywhere Street Anytown, ST 12345	Loan Term 30 years Purpose Purchase Product Fixed Rate
Settlement Agent Epsilon Title Co. File # 12-3456 Property 456 Somewhere Anytown, ST 123-		Loan Type III Conventional II FHA
Sale Price \$180,000	Lender Ficus Bank	Mic # 000654321
	Information: 1026.38(a)(3) bate Issued: 1026.38(a)(3)(i) closing Date: 1026.38(a)(3)(ii) bisbursement Date: 1026.38(a)(3)(ii) ettlement Agent: 1026.38(a)(3)(ii) cite #: 1026.38(a)(3)(ii) (cross- ale Price: 1026.38(a)(3)(ii))	r)

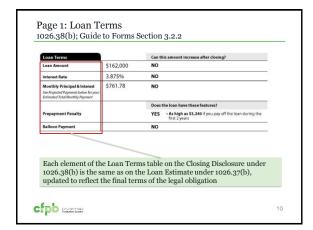






Closing	Disclosure		This form is a statement of final loar focument with your Loan Estimate.		ing costs. Compare this
losing Informa	tion	Transactio	on Information	Loan Info	rmation
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Loan	Information: 10	226.28	(2)(5)		
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				20.3/(a)(1	[1]]]
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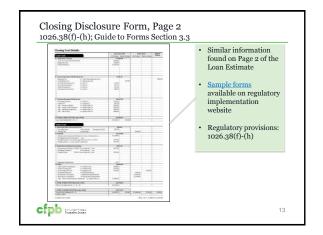




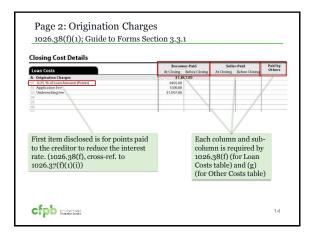
tion	Years 1-7 \$761.78	Years 8-30	
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tse over time	206.13	+ 205.13	
nt	\$1,050.26	\$967.91	
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Standard Ta	ble: 1026.38(d)(1)
Costs at Closing		
Closing Costs	\$9,712.10	Includes \$4,694.05 in Loan Costs + \$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.
	Table (transac	tions with no seller): 1026.38(d)(2)
Alternative	Table (transac	tions with no seller): 1026.38(d)(2)
	Fable (transac \$5,757.57	tions with no seller): 1026.38(d)(2)

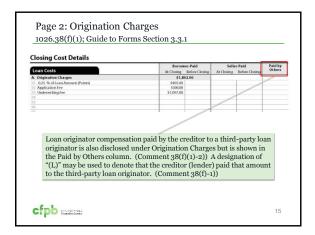














. Services Borrower Did Not		\$236.5	5	
Appraisal Fee	to John Smith Appraisers Inc.		a de la companya de la	\$405.00
7 Credit Report Fee	to Information Inc.		\$29,80	
3 Flood Determination Fee	to Info Co.	\$20.00		
Flood Monitoring Fee Tax Monitoring Fee	to Info Co. to izfo Co.	\$31.75		
5 Tax Monitoring Fee 5 Tax Status Research Fee	to Info to	\$75.00		
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(1026.37(chooses a	closed as Services You C f)(3)) will move into this provider on the written mate for that item. (102	s category w list provide	hen the consum	er
Loan Esti				

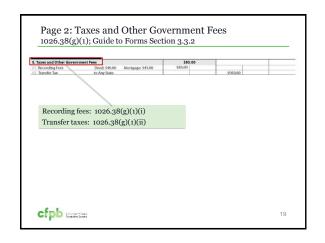


ervices Borrower Did Shop I		\$2,655.50		
Pest Inspection Fee	to Pests Co.	\$120.50		
urvey Fee	to Surveys Co.	\$85.00		
itle – Insurance Binder itle – Lender's Title Insurance	to Epsilon Title Co.	\$650.00 \$500.00		
Itle - Settlement Agent Fee	to Ession Title Co.	\$500.00		
itle - Title Search	to Epsilon Jitle Co.	5800.00		
(1026.37(f)) that was no	(3)) are shown here	a Can Shop For on the when the consumer cl provided by the credit	hooses a provide	



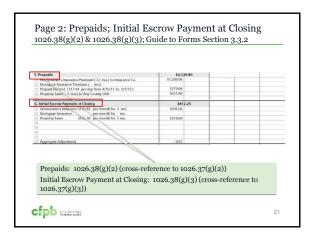
Other Costs	585.00			
E. Taxes and Other Government Fees III Recording Fees Deed \$40.00 Mortgage: \$45.00	585.00	-		
Interconding Fees Overall System To Any State	56500	1950.00		
F. Prepaids	\$2,120.85			
11 Homeowner's Insurance Premium (12 mo.) to Insurance Co.	\$1,208/96			
—: Mortgage Insurance Premium (mo.)	\$22564			
Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)	\$22904			
Property Taxes (6 mo) to Any County USA	9631.80			
G. Initial Escrow Payment at Closing	\$412.25			
11 Homeowner's insurance \$100.83 per month for 2 mo.	\$201,66			
12 Mortgage Insurance per month for mo.				
 Property Taxes \$105.30 per month for 2 mil. 	\$210.60			
91				
10 17				
III: Aggregate Adjustment	- 9/21	-		
H. Other	\$2,400.00			
III HGA Capital Contribution to HGA Acte Inc.	\$500,00			
HOA Processing Fee to HOA Ace Inc. Home Inspection Fee to Engineers Inc.	\$15000 \$75000		\$750.00	
Home Inspection Fee to Engineers Inc. Home Warranty Fee to XYZ Wanante Inc.	\$75030	5450.00	\$750300	
Real Estate Commission to Alpha Real Estate Broker		\$5,700.00		
10 Real Estate Commission to Omega Real Estate Broker		\$5,700,00		
0/ Title - Owner's Title (musance (optional) to Epsilon Title Co.	\$1,000,00			
	55,018,05			
L TOTAL OTHER COSTS (Borrower-Paid)				
Other Costs Subtotals (E + F + G + H)	\$5.018.05			
J. TOTAL CLOSING COSTS (Borrower-Paid)	59,712,10			
Closing Costs Subsociés (D = 0	59.682.30 529.80	312,800.00 7	\$750.00	\$405.00
Lender Ciedas				



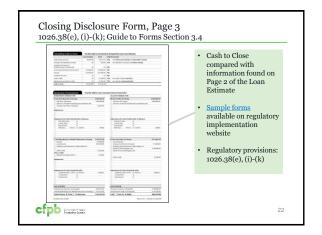




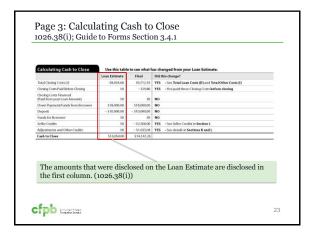
E. Taxes and Other Govern 11. Recording Fees 12. Transfer Tax	ment Fees Deed: \$40.00 Mortgage: \$45.00 to Any State	\$85.00 \$85.00	\$950.00	
	loes the disclosure of record and Closing Disclosure? (cc ;)(1)(i))			
	should creditors disclose the	e name of the g	overnment entity	to
Q: Hows	should creditors disclose the ransfer tax fund is distribute			to



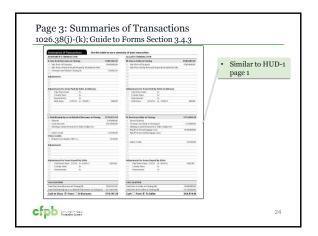




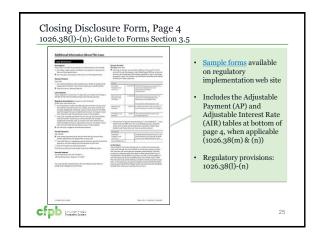




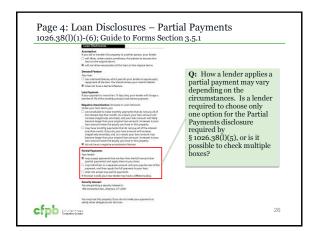




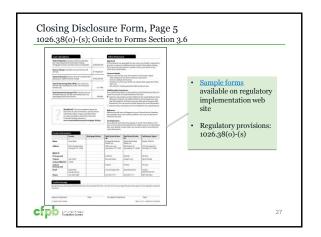


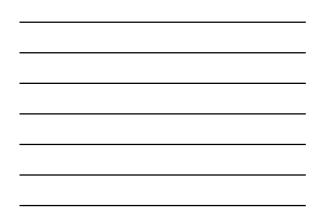


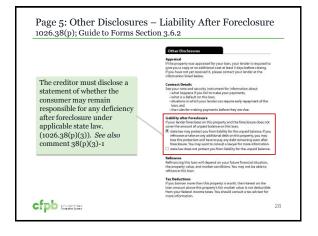












Page 5: Liability After Foreclosure (Anti-Deficiency Notice) 1026.38(p)(3); Guide to Forms Section 3.6.2

- Liability after Foreclosure If your lender foreclosures on this property and the foreclosure does not cover the amount of unpaid balance on this loan, If 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 lawger for more information. the state law does not protect you from liability for the unpaid balance.
- 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?
- 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?

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Closing Disclosure Form: General Questions

- 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)-5)

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