

Key Timelines of MDIA disclosure requirements and RESPA Reform

Day 1 - Consumer applies for a mortgage loan

+3 business days - TIL must be returned to the applicant by the lender within 3 business days. Also, GFE must be provided within 3 business days of application.

+7 business days - After lender receives loan application and issues the TIL, there must be a 7 day waiting period before the loan can close. Seven days begins when the consumer is expected to have TIL in hand (3 days from the time it was mailed, or actual documented receipt).

+10 business days - The number of days the estimate of all settlement services charges must be available, except for the interest rate and interest rate-dependent charges such as the credit or charge for interest rate chosen, adjusted origination charges and per diem interest.

Corrected disclosures: If estimates of fees and charges push the loan's APR greater than 1/8 of 1% over the original estimate, a corrected TIL has to be issued with the right APR. The lender must wait 3 business days from applicant's receipt of new TIL before closing can take place.

Exception: If consumer has his TIL and wishes to waive the 7 day waiting period and has a bona fide personal financial emergency, he must prove that the loan closing is required before the end of the 7 days (such as a borrower needing funding to stop an imminent foreclosure.)

Effective Dates:

RESPA Rule Average Charge - January 16, 2009

Mortgage Disclosure Improvement Act - July 30, 2009

New GFE, HUD-1 and Tolerances - January 1, 2010

Page 3 of the new GFE

This page outlines which settlement charges can change from the GFE to the HUD-1, which charges have a 10% "tolerance", and which charges can't change at all.

Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges cannot increase at settlement:	The total of these charges can increase up to 10% at settlement:	These charges can change at settlement:
<ul style="list-style-type: none"> ■ Our origination charge ■ Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate) ■ Your adjusted origination charges (after you lock in your interest rate) ■ Transfer taxes 	<ul style="list-style-type: none"> ■ Required services that we select ■ Title services and lender's title insurance (if we select them or you use companies we identify) ■ Owner's title insurance (if you use companies we identify) ■ Required services that you can shop for (if you use companies we identify) ■ Government recording charges 	<ul style="list-style-type: none"> ■ Required services that you can shop for (if you do not use companies we identify) ■ Title services and lender's title insurance (if you do not use companies we identify) ■ Owner's title insurance (if you do not use companies we identify) ■ Initial deposit for your escrow account ■ Daily interest charges ■ Homeowner's insurance