

Reference Guide: Loan Estimate (LE) TILA-**RESPA Integrated Disclosure (TRID) Rule** Requirements

The purpose of this document is to provide a reference guide for the Loan Estimate (LE) TILA-RESPA Integrated Disclosure (TRID) Rule Requirements learning.

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Loan Application

The term loan application was modified to be only six pieces of consumer information provided to a creditor. These six pieces include:

- 1. Consumer's name
- 2. Consumer's monthly income
- 3. Consumer's SSN
- 4. Property address
- 5. Estimate of property value
- 6. Loan amount sought



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November-December, 2015

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
22	23	24	25	26	27	28
Not a	Business	Business	Business day	Thanksgiving	Business	Business
business	day	day		Federal Holiday -	day	day
day				Not a business		
				day		
29	30	1	2	3	4	5
Not a	Business	Business	Business day	Business day	Business	Business
business	day	day			day	day
day						

A business day does not include Sundays or legal public holidays, but does include Saturday if the creditor is open for substantially all business functions.

Consummation

The term "consummation" is the target date around which delivery of some of the disclosures revolve.

CFPB explains:

- Commonly occurs at closing or settlement
- Legally distinct event:
 - "Occurs when the consumer becomes contractually obligated to the creditor on the loan"

Loan Estimate (LE) Provision

Provided to the consumer by:

- · Creditor/Lender
- Mortgage broker

Delivery

- 3 business days after application
- 7 business days before consummation

Shopping Service Providers

A creditor may permit a consumer to shop for a settlement service, subject to reasonable requirements.

It is not considered to be shopping for a provider when

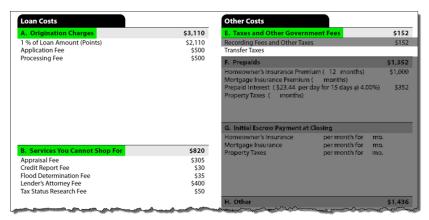
- Consumer chooses from a written list of providers
- Consumer voluntarily chooses a provider from a written list of approved service providers

Good Faith Determinations

Zero Variations

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The final rule expanded the zero tolerance category to include:

- Transfer Taxes
- Fees to lender/creditor, mortgage broker
- Cannot Shop For
 - Unaffiliated 3rd party fees

Zero variance or tolerance examples are found under Loan Costs which can be found on page 2, Sections A and B on the Loan Estimate. Also, Section E is where you would find Transfer Tax.

10% Aggregate Variations



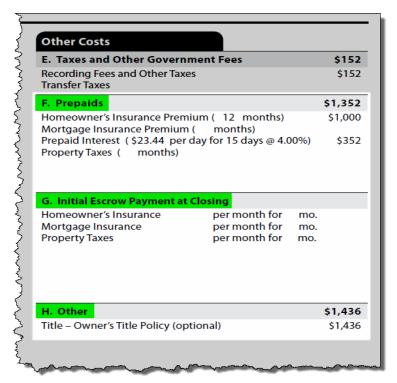
The 10% tolerance category applies to:

- Recording fees, and charges imposed by state or local government
- Can Shop For items

You will find the 10% Aggregate variations found on Page 2 under Loan Costs in Section C of the Loan Estimate.

Unlimited Variations



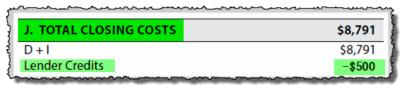


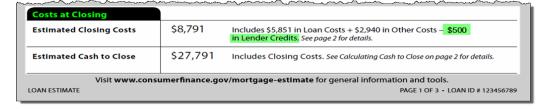
The third category allows for unlimited variations and includes:

- Prepaid interest, property insurance, impounds or reserves
- Charges for 3rd party vendors selected by the consumer <u>NOT</u> on lender's list or services not required by the creditor

These Unlimited Variances are shown on page 2 under Other Costs Section F, G and H of the Loan Estimate.

Lender Credits





Handling of Lender credits are now disclosed on the Loan Estimate in two different ways:

- Specific to charge (e.g. appraisal)
- Non-specific (general payment)

Both of these credits will be aggregated together and shown in Section J on page 2 of the LE and in the Costs at Closing section on page 1 as Lender Credits.



Revised Loan Estimate

A creditor may issue a revised Loan Estimate due to any of six different types of changes:

- 1. Changed circumstances affecting settlement charges
- 2. Changed circumstances affecting eligibility
- 3. Revisions requested by consumer
- 4. Interest rate dependent changes
- 5. Loan Estimate expires
- 6. Delayed settlement date on a construction loan

The Loan Estimate must be delivered to the consumer, or placed in the mail, within 3 business days of receiving information sufficient to establish one of the reasons above and no later than 4 business days prior to consummation. Additionally, a revised Loan Estimate may not be issued after initial Closing Disclosure is issued.



Federal Holiday Chart for 2014 Thru 2018

Holiday	Calendar Year and Observed Day					
	2014	2015	2016	2017	2018	
New Year's Day	January 1	January 1	January 1	January 2	January 1	
Birthday of Martin Luther King, Jr.	January 20	January 19	January 18	January 16	January 15	
Washington's Birthday	February 17	February 16	February 15	February 20	February 19	
Memorial Day	May 26	May 25	May 30	May 29	May 28	
Independence Day	July 4	July 4	July 4	July 4	July 4	
Labor Day	September 1	September 7	September 5	September 4	September 3	
Columbus Day	October 13	October 12	October 10	October 9	October 8	
Veterans Day	November 11	November 11	November 11	November 11	November 12	
Thanksgiving Day	November 27	November 26	November 24	November 23	November 22	
Christmas Day	December 25	December 25	December 26	December 25	December 25	



Loan Estimate (LE) Calendar Example

November-December, 2015							
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
22 Not a business day	23	24 Loan Application Received	25 1 st Business Day After Loan Application	26 Thanksgiving Federal Holiday - Not a business day	27 2 nd Business Day After Loan Application	28 3rd Business Day After Loan Application Loan Estimate Mailed 7 Days Before Consummation	
29 Not a business day	30 6 Days Before	1 5 Days Before	2 3 rd Business Day after Mailing Deemed Received 4 Days Before	3 3 Days Before	4 2 Days Before	5 1 Day Before	
6 Not a business day	7 Earliest Day Consummation may occur	8	9	10	11	12	

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