

Question index - Outlook Live webinars on TILA- RESPA Integrated Disclosure



Consumer Financial
Protection Bureau

August 2015

CFPB staff has been participating in a series of webinars sponsored by the Federal Reserve to address implementation of the new rule. This document contains a list of each question answered in the webinars and the date of the webinar in which the question was covered. By clicking on the date while holding down your control key, you will be linked to the webinar table of contents, where you can then choose the segment of interest.

Recordings of the webinars can be found at www.consumerfinance.gov/regulatory-implementation/tila-respa/. Please note that registration is required to view the recordings at the Outlook Live site.

These presentations are current as of the date on which they were presented. These presentations do not represent legal interpretation, guidance or advice of the Bureau. While efforts have been made to ensure accuracy, these presentations are 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.

Question	Webinar Date	Webinar Segment
1. Pre-application activity		
Can a creditor review detailed written documentation of income and assets prior to delivering a Loan Estimate?	May 26, 2015	Pre-application Activity
2. Definition of application		
Definition Overview	May 26, 2015	Application
Does the new definition of “application” under the rule apply to home equity lines of credit (HELOCs)? Will the previous definition of “application” still apply to HELOCs and other products?	May 26, 2015	Application
May an institution collect more information than the six pieces of information that would constitute an application before issuing a loan estimate?	June 17, 2014	Questions Addressed
Does a creditor have to collect all six pieces of information at once or can they strategically collect it to better control when they have to generate the loan estimate?	June 17, 2014	Questions Addressed
Do the disclaimer requirements for pre-disclosure estimates of loan costs and terms apply to general advertisements?	June 17, 2014	Questions Addressed
The definition of application does not include loan term or product type. What if a consumer submits the six elements listed in the rule, but does not specify the type of product or term?	August 26, 2014	Application - Definition
What if the consumer starts filling out an online application and saves it with the six pieces of information entered, but has not yet submitted it to the creditor?	August 26, 2014	Application - Definition

What if the loan is a refinance and the other creditor already has this particular information on file?	August 26, 2014	Application - Definition
May an online application system reject applications submitted by a consumer that contain the six elements of an application because other preferred information is not included?	August 26, 2014	Application - Definition
3. Scope of rule/coverage		
Scope of Rule Overview	August 26, 2014	Scope of Rule
Do the new disclosure requirements apply to assumptions?	August 26, 2014	Scope of Rule
Would a successor-in-interest be considered a “subsequent purchaser” for the purpose of the assumption disclosure?	August 26, 2014	Scope of Rule
Section 1026.3(h) exempts certain downpayment assistance loans from the new rules. Do creditors still need to provide the existing TILA disclosures for those loans?	August 26, 2014	Scope of Rule
Construction-to-permanent loans can be structured to have a single closing at the beginning of the process, or to have two closings, one at the beginning and then another at the end of the construction phase before the loan converts into permanent financing. How should a creditor disclose terms in a single-close construction-to-permanent loan transaction?	May 26, 2015	Construction
4. Record retention		
Record Retention Overview	August 26, 2014	Record Retention
For seller Closing Disclosure provided on a separate document by the settlement agent pursuant to 1026.38(t)(5) and 1026.19(f)(4), are creditors required to collect and retain documents related to the seller that were provided only to the settlement agent?	August 26, 2014	Record Retention

5. Tolerances		
Variations / Tolerances – General Rule	August 26, 2014	Variations / Tolerances
Is owner’s title insurance not required by the creditor subject to the 10% cumulative tolerances?	August 26, 2014	Variations / Tolerances
In a scenario where the creditor’s estimate of closing costs changes, but the prior estimates remains “in good faith” for purposes of section 1026.19(e)(3), is the creditor prohibited from providing the consumer with a revised	May 26, 2015	Revised Disclosures
6. Disclosures/redislosure timing		
Disclosure / Redislosure Timing – General Rule Requirements	August 26, 2014	Disclosure / Redislosure Timing
Does the 7-day waiting period before consummation that applies to Loan Estimates apply to revised disclosures?	August 26, 2014	Disclosure / Redislosure Timing
Are creditors required to provide revised Loan Estimates on the same business day that a consumer or loan officer requests a rate lock?	August 26, 2014	Disclosure / Redislosure Timing
May a Closing Disclosure be provided early and revised Closing Disclosures used in place of revised Loan Estimates for redisclosing estimates that change due to changed circumstances?	August 26, 2014	Disclosure / Redislosure Timing
Is an additional 3-business-day waiting period required if the APR decreases by more than 1/4 or 1/8 percentage points?	August 26, 2014	Disclosure / Redislosure Timing
7. Loan estimate – General		
Loan Estimate Form, General Information Section Overview	October 1, 2014	General Information

Where on the Loan Estimate form is the creditor supposed to provide the language described in 1026.19(e)(3)(iv)(F) for construction loans where settlement may be delayed?	August 26, 2014	Loan Estimate
For second mortgages issued simultaneously with first mortgages as part of the purchase transaction (or “simultaneous seconds”) is the creditor allowed to use the alternative Loan Estimate for transactions without a seller?	August 26, 2014	Loan Estimate
If there is more than one applicant/consumer, what needs to be disclosed on the Loan Estimate?	August 26, 2014	Loan Estimate
Is there a required font size for the Loan Estimate?	October 1, 2014	General Questions
Can the disclosure be completed by hand printing?	May 26, 2015	Formatting
Can the designation “N/A” be used where no value is to be disclosed on the Loan Estimate?	October 1, 2014	General Questions
Is there a required naming convention used for charges on the Loan Estimate?	October 1, 2014	General Questions
Does the creditor have to disclose an itemization of the amount financed with the Loan Estimate?	October 1, 2014	General Questions
8. Loan Estimate - Page 1		
When the Sale Price of the property is not yet known, does the creditor disclose a label other than “Sale Price” for the Sale Price on the Loan Estimate?	October 1, 2014	General Information
If a loan product consists of a combination of two product types – e.g., a step rate for a set period of time, followed by an adjustable rate for the remaining term of the loan – how is the product to be described? Should it be described as an Adjustable Rate loan or as a Step Rate loan?	October 1, 2014	General Information
Is the mailing address for each Applicant the U.S. postal mailing address or can it be some other type of address?	October 1, 2014	General Information

If a broker is issuing a Loan Estimate but does not know the creditor, may the broker put its name in place of the creditors?	October 1, 2014	Brokered Transactions
Section 1026.37(a)(12) indicates the creditor must disclose a unique loan ID number. If the creditor is unknown: Is the broker required to generate and disclose a unique loan ID number?	October 1, 2014	Brokered Transactions
Is the creditor required to disclose its own unique loan ID once there is a creditor for the loan?	October 1, 2014	Brokered Transactions
What interest rate should be disclosed where the initial interest rate is calculated using a different formula than that used for subsequent rate adjustments? (1026.37(b)(2))	October 1, 2014	Loan Terms Section
How does a creditor disclose items in the Loan Terms table where the applicable dates for changes to interest rate, periodic payments, balloon payments, or prepayment penalties are not in whole years? (1026.37(b)(8) and .37(a)(10))	October 1, 2014	Loan Terms Section
Loan Estimate Form, Projected Payments Table Overview	October 1, 2014	Projected Payments Table
Can the amount disclosed for Estimated Taxes, Insurance & Assessments be for a time period of other than monthly?	October 1, 2014	Projected Payments Table
If mortgage insurance will automatically terminate in the time period that would be included in the 4 th column, how do I indicate that mortgage insurance will terminate before the end of the loan?	October 1, 2014	Projected Payments Table
Must the escrow row be shown if no escrow account is established?	October 1, 2014	Projected Payments Table

Are flood insurance premiums included in Homeowner’s Insurance for purposes of the Escrow disclosure and the Taxes and Insurance & Assessments disclosure on the Projected Payments table?	October 1, 2014	Projected Payments Table
Loan Estimate Form – Costs at Closing Table Overview	October 1, 2014	Costs at Closing Table
Alternative for transactions without a seller: Are the modifications to the Loan Estimate for transactions without a seller required?	October 1, 2014	Costs at Closing Table
9. Loan Estimate – Page 2		
Loan Estimate Form – Page 2 Overview	October 1, 2014	Overview
If a creditor charges an origination fee that is a percentage of the loan amount, but it is not a “point paid to the creditor to reduce the interest rate,” may the creditor identify it as a point in some way to preserve its tax deductibility for the consumer?	October 1, 2014	Loan Costs
Assume the creditor will pay a Loan-Level Price Adjustment (LLPA) to the secondary market purchaser:		
If the creditor does not charge the consumer an upfront fee, but passes the cost of the LLPA on to the consumer through interest, is the creditor required to disclose the LLPA?	October 1, 2014	Loan Costs
If the creditor does charge the consumer an upfront fee, should it be disclosed as a “point” or an “origination charge”?	October 1, 2014	Loan Costs

If the creditor offers the borrower a zero or lower point option, and the consumer chooses to pay for discount points in an amount greater than the LLPA to obtain a lower rate, may the creditor disclose the amount paid as discount points rather than as an origination charge?	October 1, 2014	Loan Costs (continued)
Must a creditor disclose fees that are not allowed by FHA/VA? If so, where?	October 1, 2014	Loan Costs (continued)
How does the creditor disclose charges for third-party administrative and processing fees that are currently rolled up into Block 1 of the GFE?	October 1, 2014	Loan Costs (continued)
Can a creditor change the number of lines for each category of costs if there are more or fewer charges in each category?	October 1, 2014	Loan Costs (continued)
How should premium rate creditor or “negative points” be disclosed? May the creditor add a separate addendum to detail the offset?	October 1, 2014	Loan Costs (continued)
Recording fees and other taxes appear to encompass all government taxes which are not transfer taxes. Does this include taxes on separate services, such as title insurance?	October 1, 2014	Other Costs
Credit life insurance is usually paid on a monthly basis, but is only mentioned in the “Other” section of “Other Costs.” Is that where I should disclose the premium?	October 1, 2014	Other Costs
10. Loan Estimate, Page 2 – Calculating Cash to Close Table		
Calculating Cash to Close Table Overview	October 1, 2014	Calculating Cash to Close
How does a creditor determine the “third party” payments to be deducted from the loan amount to calculate the Closing Costs Financed?	October 1, 2014	Calculating Cash to Close
Is the deposit or down payment subtracted as part of the calculation of Closing Cost Financed?	October 1, 2014	Calculating Cash to Close

Is the calculation of the Closing Costs Financed line item affected by a seller credit?	October 1, 2014	Calculating Cash to Close
For the “Downpayment/Funds for Borrower” line item, does the “existing debt” being satisfied include any type of debt, other than debts disclosed under 1026.37(g), whether or not the creditor required it to be repaid?	October 1, 2014	Calculating Cash to Close
What debt is disclosed under 1026.37(g) instead of as part of Payoffs and Payments under the alternative Calculating Cash to Close table?	October 1, 2014	Calculating Cash to Close (cont.)
Does the payoff of any outstanding debt of the consumer included as part of Payoffs and Payments or only those debts of the consumer that are required to be paid as a condition of the extension of credit?	October 1, 2014	Calculating Cash to Close (cont.)
Can the alternative cash to close table be used for multiple loan transactions without a seller? There is no line for the application of subordinate financing in the alternative Cash to Close table.	October 1, 2014	Calculating Cash to Close (cont.)
Can the standard Calculating Cash to Close table disclose the Estimated Cash to Close amount as a negative number?	October 1, 2014	Calculating Cash to Close (cont.)
Comment 1 to Section 1026.37(h)(1)(ii) indicates that the amount disclosed is determined by subtracting the estimated total amount of payments to third parties not otherwise disclosed as Loan Costs or Other Costs. Some fees that are considered to be financed are already disclosed as Loan Costs. However, if these amounts are not considered financed, then the Cash to Close would be too high because the financed fees are not subtracted. Can you please clarify?	May 26, 2015	Calculating Cash to Close
Are the adjustable payments and adjustable interest tables disclosed for a fixed rate loan? (1026.37(i) and .37(j))	October 1, 2014	AP & AIR Tables

11. Loan Estimate – Page three

Loan Estimate, Page 3 Overview	October 1, 2014	Overview
In a loan with a mortgage broker, must both a creditor's loan officer and a mortgage broker's loan officer be listed on Contact Information?	October 1, 2014	Contact Information
Contact information - Should we use the same person's NMLSR identification number that will be identified on the note and other documents?	October 1, 2014	Contact Information
Comparisons Table – Is the Annual Percentage Rate (APR) disclosed as a rounded amount or is it truncated at three decimal places?	October 1, 2014	Comparisons Table
Does the creditor need to disclose on the Loan Estimate that it will transfer servicing if the transfer is not immediate, but will happen at some later point in time during the life of the loan?	October 1, 2014	Other Considerations
Does the creditor need to disclose on the Loan Estimate that it will transfer servicing if the transfer is to the creditor's subsidiary or affiliate?	October 1, 2014	Other Considerations
Does the Appraisal notice satisfy the requirements of Regulation B, or does the creditor need to provide a separate disclosure for that requirement?	October 1, 2014	Other Considerations
12. Loan Estimate, Page 3 – Service Provider List		
Loan Estimate, Page 3 – Service Provider List Overview	October 1, 2014	Service Provider List
How can a creditor communicate to the consumer that the identification of a service provider on a written list is not an endorsement of that service provider?	October 1, 2014	Service Provider List

If there is a valid changed circumstance or a borrower requested change that triggers another third-party service that the creditor permits the consumer to shop for, should the list of service providers be updated and re-disclosed, or is the written list of service providers required to be provided only once upon providing the initial Loan Estimate?	May 26, 2015	Service Provider List
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13. Closing Disclosure – General

What should creditors do if the information required to be disclosed doesn't fit in the space allotted on the form?	November 18, 2014	General Questions
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Is there a model or sample of an addendum?	November 18, 2014	General Questions
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Is there anything creditors are required to include on the addendum?	November 18, 2014	General Questions
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The current HUD-1 has a comparison chart to show the applicable tolerance levels and how the charges compare. Where is the equivalent chart on the Closing Disclosure?	May 26, 2015	Closing Disclosure
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If the owner's title policy disclosed on the Closing Disclosure is not the same amount of the premium quoted by the title underwriter, how does a creditor show that a seller has agreed to pay for the owner's title insurance?	May 26, 2015	Owner's Title Policy
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14. Closing Disclosure – Page 2

How does the disclosure of recording fees differ between the Loan Estimate and Closing Disclosure?	November 18, 2014	Other Costs
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How should creditors disclose the name of the government entity to whom a transfer tax fund is distributed?	November 18, 2014	Other Costs
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15. Closing Disclosure – Page 4

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?	November 18, 2014	Question
16. Closing Disclosure – Page 5		
What constitutes an anti-deficiency law for purposes of the Closing Disclosure?	November 18, 2014	Page 5 – Closing Disclosure
Do statutes of limitations on obtaining or collecting a deficiency judgment count as anti-deficiency protections for purposes of the Closing Disclosure?	November 18, 2014	Page 5 – Closing Disclosure
Are state laws that limit how much a creditor may collect in an anti-deficiency judgment considered anti-deficiency protections for purposes of the closing disclosure?	November 18, 2014	Page 5 – Closing Disclosure
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?	November 18, 2014	Page 5 – Closing Disclosure
15. Your Home Loan Toolkit/Settlement booklet		
Can market participants place their logo on the Toolkit cover?	May 26, 2015	How to get the Toolkit
If a creditor makes the toolkit available on its website, does that satisfy the rule’s delivery requirement?	May 26, 2015	How to get the Toolkit