

## HIGH LEVEL OVERVIEW OF THE FINAL RULE

CFPB Final Rule

Released November 20, 2013

Effective August 1, 2015

### APPLICABLE LOANS:

The final rule applies to most closed-end consumer mortgage loans. It **does not** apply to *home equity lines of credit, reverse mortgages, or mortgage loans secured by a mobile home or by a dwelling that is not attached to real property*. The final rule also does not apply to loans made by a creditor who makes five or fewer mortgages in a year.

### PREPARATION AND DELIVERY OF THE CLOSING DISCLOSURE FORM:

Currently, settlement agents are required to provide the HUD-1 under RESPA, while creditors are required to provide the revised Truth in Lending disclosure under TILA. Under the final rule, the creditor is responsible for delivering the Closing Disclosure form to the consumer, but creditors may use settlement agents to provide the Closing Disclosure, provided that the settlement agents comply with the final rule's requirements for the Closing Disclosure. The final rule allows the lender to either create the Closing Disclosure form or share responsibility with the settlement agent.

### 3 DAY RULE:

The creditor must give the Closing Disclosure form to consumers at least three business days before the consumer closes on the loan. If the creditor makes any of the following changes between the time the Closing Disclosure form is given and the closing then the consumer must be provided a new Closing Disclosure form and a new three business day waiting period begins.—

- (1) if the credit or makes changes to the APR above 1/8 of a percent for most loans (and 1/4 of a percent for loans with irregular payments or periods),
- (2) changes the loan product
- (3) adds a prepayment penalty to the loan

Less significant changes can be disclosed on a revised Closing Disclosure form provided to the consumer at or before closing, without delaying the closing.

The lender is responsible for delivering the closing disclosure form to the consumer, but may use the settlement agent to provide the form.

- What are acceptable forms of delivery?
  - Providing it to the consumer in person.
  - Mailing, or by other delivery methods, including email. Creditors may use electronic delivery methods subject to compliance with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act
- If the Closing Disclosure is provided in person, it is considered received by the consumer on the day it is provided. If it is mailed or delivered electronically, the consumer is considered to have received the Closing Disclosure six business days after it is delivered or placed in the mail

unless the consumer provides a confirmation of receipt.

- **“Business day”** means calendar days except Sundays and legal holidays.
  - There is no time stamp like there is with the loan estimate form.
- Waiver of waiting period for ***bona fide personal financial emergency*** only.
  - Consumer must hand write and date the waiver
  - Example provided by the CFPB:
    - The imminent sale of the consumer’s home at foreclosure, where the foreclosure sale will proceed unless loan proceeds are made available to the consumer during the waiting period, may be considered a **bona fide personal financial emergency**.
  - Creditor is prohibited from using a pre printed waiver form.

### **LIMITS ON CLOSING COST INCREASES (Tolerance Changes)**

Similar to existing law, the final rule restricts the circumstances in which consumers can be required to pay more for settlement services –for services required such as appraisals, inspections, etc. – than the amount stated on their Loan Estimate form. Charges for the following services **cannot** increase:

- (1) The creditor’s or mortgage broker’s charges for its own services;
- (1) charges for services provided by an affiliate of the creditor or mortgage broker; and
- (2) charges for services for which the creditor or mortgage broker does not permit the consumer to shop.

### **CLOSING DISCLOSURE FORM DETAILS**

#### **Line number changes:**

The final closing disclosure form does not retain the current line numbers on the HUD-1. The new form has is broken out by Loan Costs and Other Costs with sub sections within each. The numbering system is completely different than the current HUD-1.

#### **Line Terminology:**

The description of line items on the closing disclosure form must match the description used by the lender/broker on the loan disclosure form. The CFPB feels this will allow consumers to more easily identify fees and compare the two forms.

#### **Alphabetizing of fees:**

The description of line items on the Closing Disclosure form must be alphabetized within each subsection.

- (1) All title fees must start with the word Title ex: Title- Search Fee, Title – Lender’s Policy
- (2) The only exception to this rule is for fees that the CFPB have pre-determined lines for ex: Loan Origination Charge

## **IMPLEMENTATION TIMELINE/PROCESS**

The Final Rule will go into effect **August 1, 2015**. All applications received after August 1, 2015 or after will close with the closing disclosure form.

- Can a creditor use the closing disclosure form prior to August 1, 2015?
  - No. For transactions where the **application is received prior to August 1, 2015, creditors will still need to follow the current disclosure requirements under Regulations X and Z, and use the existing forms (Truth-in-Lending disclosures, GFE, HUD-1).**

### **Post-Closing Changes**

- If within 30 days post-closing, event changes that results in change to borrower-paid charge from final CD, creditor must provide corrected CD within 30 days of receiving info.
- “Non-numeric” clerical error: Must correct within 60 days of closing.
- Seller Paid Items: Settlement agent to correct 30 days after receipt of info.
- Tolerance violation cure: Must Mail a corrected CD that reflects the refund no later than 60 calendar days after consummation.

FEBRUARY 7, 2014

# TILA RESPA Integrated Disclosure

## H-24(B) Mortgage Loan Transaction Loan Estimate – Fixed Rate Loan Sample

This is a sample of a completed Loan Estimate for a fixed rate loan. This loan is for the purchase of property at a sale price of \$180,000 and has a loan amount of \$162,000, a 30-year loan term, a fixed interest rate of 3.875 percent, and a prepayment penalty equal to 2.00 percent of the outstanding principal balance of the loan for the first two years after consummation of the transaction. The consumer has elected to lock the interest rate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance.



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## Loan Estimate

**DATE ISSUED** 2/15/2013  
**APPLICANTS** Michael Jones and Mary Stone  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 456 Somewhere Avenue  
 Anytown, ST 12345  
**SALE PRICE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Purchase  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$162,000	<b>NO</b>
<b>Interest Rate</b>	3.875%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	<b>YES</b> • As high as \$3,240 if you pay off the loan during the first 2 years	
<b>Balloon Payment</b>	<b>NO</b>	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,050</b>	<b>\$968</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" 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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Costs at Closing	
<b>Estimated Closing Costs</b>	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. <i>See page 2 for details.</i>
<b>Estimated Cash to Close</b>	\$16,054 Includes Closing Costs. <i>See Calculating Cash to Close on page 2 for details.</i>

Visit [www.consumerfinance.gov/mortgage-estimate](http://www.consumerfinance.gov/mortgage-estimate) for general information and tools.

## Closing Cost Details

Loan Costs		Other Costs	
<b>A. Origination Charges</b>	<b>\$1,802</b>	<b>E. Taxes and Other Government Fees</b>	<b>\$85</b>
.25 % of Loan Amount (Points)	\$405	Recording Fees and Other Taxes	\$85
Application Fee	\$300	Transfer Taxes	
Underwriting Fee	\$1,097		
		<b>F. Prepays</b>	<b>\$867</b>
		Homeowner's Insurance Premium ( 6 months)	\$605
		Mortgage Insurance Premium ( months)	
		Prepaid Interest ( \$17.44 per day for 15 days @ 3.875%)	\$262
		Property Taxes ( months)	
		<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
		Homeowner's Insurance \$100.83 per month for 2 mo.	\$202
		Mortgage Insurance per month for mo.	
		Property Taxes \$105.30 per month for 2 mo.	\$211
<b>B. Services You Cannot Shop For</b>	<b>\$672</b>		
Appraisal Fee	\$405	<b>H. Other</b>	<b>\$1,017</b>
Credit Report Fee	\$30	Title – Owner's Title Policy (optional)	\$1,017
Flood Determination Fee	\$20		
Flood Monitoring Fee	\$32		
Tax Monitoring Fee	\$75		
Tax Status Research Fee	\$110		
		<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,382</b>
<b>C. Services You Can Shop For</b>	<b>\$3,198</b>	<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,054</b>
Pest Inspection Fee	\$135	D + I	\$8,054
Survey Fee	\$65	Lender Credits	
Title – Insurance Binder	\$700		
Title – Lender's Title Policy	\$535		
Title – Settlement Agent Fee	\$502		
Title – Title Search	\$1,261		
<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$5,672</b>		

### Calculating Cash to Close

Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$16,054</b>

## Additional Information About This Loan

**LENDER** Ficus Bank  
**NMLS/\_\_\_ LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/\_\_\_ LICENSE ID** 12345  
**EMAIL** joesmith@ficusbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/\_\_\_ LICENSE ID**  
**LOAN OFFICER**  
**NMLS/\_\_\_ LICENSE ID**  
**EMAIL**  
**PHONE**

### Comparisons

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	<b>\$56,582</b> Total you will have paid in principal, interest, mortgage insurance, and loan costs. <b>\$15,773</b> Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	<b>4.274%</b> Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	<b>69.45%</b> 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 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

#### 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

FEBRUARY 7, 2014

# TILA RESPA Integrated Disclosure

## H-25(B) Mortgage Loan Transaction Closing Disclosure – Fixed Rate Loan Sample

This is a sample of a completed Closing Disclosure for the fixed rate loan illustrated by form H-24(B). The purpose, product, sale price, loan amount, loan term, and interest rate have not changed from the estimates provided on the Loan Estimate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance for the transaction.



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# Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

## Closing Information

**Date Issued** 4/15/2013  
**Closing Date** 4/15/2013  
**Disbursement Date** 4/15/2013  
**Settlement Agent** Epsilon Title Co.  
**File #** 12-3456  
**Property** 456 Somewhere Ave  
 Anytown, ST 12345  
**Sale Price** \$180,000

## Transaction Information

**Borrower** Michael Jones and Mary Stone  
 123 Anywhere Street  
 Anytown, ST 12345  
**Seller** Steve Cole and Amy Doe  
 321 Somewhere Drive  
 Anytown, ST 12345  
**Lender** Ficus Bank

## Loan Information

**Loan Term** 30 years  
**Purpose** Purchase  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 000654321

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$162,000	<b>NO</b>
<b>Interest Rate</b>	3.875%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	<b>NO</b>
<b>Prepayment Penalty</b>	<b>Does the loan have these features?</b> <b>YES</b> • As high as \$3,240 if you pay off the loan during the first 2 years	
<b>Balloon Payment</b>	<b>NO</b>	

Projected Payments	Years 1-7	Years 8-30
<b>Payment Calculation</b>		
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,050.26</b>	<b>\$967.91</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See page 4 for details</i>	<b>\$356.13</b> a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
		<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Costs at Closing	
<b>Closing Costs</b>	<b>\$9,712.10</b> Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs – \$0 in Lender Credits. <i>See page 2 for details.</i>
<b>Cash to Close</b>	<b>\$14,147.26</b> Includes Closing Costs. <i>See Calculating Cash to Close on page 3 for details.</i>

# Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,802.00</b>				
01 0.25 % of Loan Amount (Points)	\$405.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,097.00				
04					
05					
06					
07					
08					
<b>B. Services Borrower Did Not Shop For</b>	<b>\$236.55</b>				
01 Appraisal Fee to John Smith Appraisers Inc.					\$405.00
02 Credit Report Fee to Information Inc.		\$29.80			
03 Flood Determination Fee to Info Co.	\$20.00				
04 Flood Monitoring Fee to Info Co.	\$31.75				
05 Tax Monitoring Fee to Info Co.	\$75.00				
06 Tax Status Research Fee to Info Co.	\$80.00				
07					
08					
09					
10					
<b>C. Services Borrower Did Shop For</b>	<b>\$2,655.50</b>				
01 Pest Inspection Fee to Pests Co.	\$120.50				
02 Survey Fee to Surveys Co.	\$85.00				
03 Title – Insurance Binder to Epsilon Title Co.	\$650.00				
04 Title – Lender’s Title Insurance to Epsilon Title Co.	\$500.00				
05 Title – Settlement Agent Fee to Epsilon Title Co.	\$500.00				
06 Title – Title Search to Epsilon Title Co.	\$800.00				
07					
08					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$4,694.05</b>				
Loan Costs Subtotals (A + B + C)	\$4,664.25	\$29.80			
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>	<b>\$85.00</b>				
01 Recording Fees Deed: \$40.00 Mortgage: \$45.00	\$85.00				
02 Transfer Tax to Any State			\$950.00		
<b>F. Prepays</b>	<b>\$2,120.80</b>				
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96				
02 Mortgage Insurance Premium ( mo.)					
03 Prepaid Interest ( \$17.44 per day from 4/15/13 to 5/1/13 )	\$279.04				
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80				
05					
<b>G. Initial Escrow Payment at Closing</b>	<b>\$412.25</b>				
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66				
02 Mortgage Insurance per month for mo.					
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60				
04					
05					
06					
07					
08 Aggregate Adjustment	- 0.01				
<b>H. Other</b>	<b>\$2,400.00</b>				
01 HOA Capital Contribution to HOA Acre Inc.	\$500.00				
02 HOA Processing Fee to HOA Acre Inc.	\$150.00				
03 Home Inspection Fee to Engineers Inc.	\$750.00			\$750.00	
04 Home Warranty Fee to XYZ Warranty Inc.			\$450.00		
05 Real Estate Commission to Alpha Real Estate Broker			\$5,700.00		
06 Real Estate Commission to Omega Real Estate Broker			\$5,700.00		
07 Title – Owner’s Title Insurance (optional) to Epsilon Title Co.	\$1,000.00				
08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$5,018.05</b>				
Other Costs Subtotals (E + F + G + H)	\$5,018.05				
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$9,712.10</b>				
Closing Costs Subtotals (D + I)	\$9,682.30	\$29.80	\$12,800.00	\$750.00	\$405.00
Lender Credits					

## 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)	\$8,054.00	\$9,712.10	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	– \$29.80	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	<b>NO</b>
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	<b>NO</b>
Deposit	– \$10,000.00	– \$10,000.00	<b>NO</b>
Funds for Borrower	\$0	\$0	<b>NO</b>
Seller Credits	\$0	– \$2,500.00	<b>YES</b> • See Seller Credits in <b>Section L</b>
Adjustments and Other Credits	\$0	– \$1,035.04	<b>YES</b> • See details in <b>Sections K and L</b>
<b>Cash to Close</b>	\$16,054.00	\$14,147.26	

## Summaries of Transactions

Use this table to see a summary of your transaction.

### BORROWER'S TRANSACTION

#### K. Due from Borrower at Closing **\$189,762.30**

01 Sale Price of Property \$180,000.00

02 Sale Price of Any Personal Property Included in Sale

03 Closing Costs Paid at Closing (J) \$9,682.30

04

#### Adjustments

05

06

07

#### Adjustments for Items Paid by Seller in Advance

08 City/Town Taxes to

09 County Taxes to

10 Assessments to

11 HOA Dues 4/15/13 to 4/30/13 \$80.00

12

13

14

15

#### L. Paid Already by or on Behalf of Borrower at Closing **\$175,615.04**

01 Deposit \$10,000.00

02 Loan Amount \$162,000.00

03 Existing Loan(s) Assumed or Taken Subject to

04

05 Seller Credit \$2,500.00

#### Other Credits

06 Rebate from Epsilon Title Co. \$750.00

07

#### Adjustments

08

09

10

11

#### Adjustments for Items Unpaid by Seller

12 City/Town Taxes 1/1/13 to 4/14/13 \$365.04

13 County Taxes to

14 Assessments to

15

16

17

### CALCULATION

Total Due from Borrower at Closing (K) \$189,762.30

Total Paid Already by or on Behalf of Borrower at Closing (L) – \$175,615.04

**Cash to Close**  **From**  **To Borrower** **\$14,147.26**

### SELLER'S TRANSACTION

#### M. Due to Seller at Closing **\$180,080.00**

01 Sale Price of Property \$180,000.00

02 Sale Price of Any Personal Property Included in Sale

03

04

05

06

07

08

#### Adjustments for Items Paid by Seller in Advance

09 City/Town Taxes to

10 County Taxes to

11 Assessments to

12 HOA Dues 4/15/13 to 4/30/13 \$80.00

13

14

15

16

#### N. Due from Seller at Closing **\$115,665.04**

01 Excess Deposit

02 Closing Costs Paid at Closing (J) \$12,800.00

03 Existing Loan(s) Assumed or Taken Subject to

04 Payoff of First Mortgage Loan \$100,000.00

05 Payoff of Second Mortgage Loan

06

07

08 Seller Credit \$2,500.00

09

10

11

12

13

#### Adjustments for Items Unpaid by Seller

14 City/Town Taxes 1/1/13 to 4/14/13 \$365.04

15 County Taxes to

16 Assessments to

17

18

19

### CALCULATION

Total Due to Seller at Closing (M) \$180,080.00

Total Due from Seller at Closing (N) – \$115,665.04

**Cash**  **From**  **To Seller** **\$64,414.96**

# 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 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

### 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  
456 Somewhere Ave., Anytown, ST 12345

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

### Escrow Account

**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	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: <i>Homeowner's Insurance</i> <i>Property Taxes</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>Homeowner's Association Dues</i>  You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	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.

## Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$118,830.27
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$162,000.00
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%



**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](http://www.consumerfinance.gov/mortgage-closing)

## Other Disclosures

### 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.

### Contract Details

See your note and security instrument for information about

- 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.

### Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- 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.
- state law does not protect you from liability for the unpaid balance.

### 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.

### 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.

## Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>NMLS ID</b>					
<b>ST License ID</b>			Z765416	Z61456	Z61616
<b>Contact</b>	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
<b>Contact NMLS ID</b>	12345				
<b>Contact ST License ID</b>			P16415	P51461	PT1234
<b>Email</b>	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
<b>Phone</b>	123-456-7890		123-555-1717	321-555-7171	987-555-4321

## 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

FEBRUARY 7, 2014

# TILA RESPA Integrated Disclosure

## H-25(E) Mortgage Loan Transaction Closing Disclosure – Refinance Transaction Sample

This is a sample of a completed Closing Disclosure for the refinance transaction illustrated by form H-24(D). The purpose, loan amount, loan term, and interest rate have not changed from the estimates provided on the Loan Estimate. The outstanding balance of the existing mortgage loan securing the property was less than estimated on the Loan Estimate. The creditor requires an escrow account and that the consumer pay for private mortgage insurance for the transaction.



Consumer Financial  
Protection Bureau

# Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

## Closing Information

**Date Issued** 4/15/2013  
**Closing Date** 4/15/2013  
**Disbursement Date** 4/15/2013  
**Settlement Agent** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

## Transaction Information

**Borrower** Michael Jones and Mary Stone  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Ficus Bank

## Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments	Years 1-4		Years 5-30	
<b>Payment Calculation</b>				
Principal & Interest	\$737.91		\$737.91	
Mortgage Insurance	+	82.35	+	—
Estimated Escrow <i>Amount can increase over time</i>	+	206.13	+	206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>		<b>\$944.04</b>	
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	<b>\$356.13</b> a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA Dues <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>	

Costs at Closing		
<b>Closing Costs</b>	<b>\$5,757.57</b>	Includes \$3,495.50 in Loan Costs + \$2,762.07 in Other Costs – \$500 in Lender Credits. <i>See page 2 for details.</i>
<b>Cash to Close</b>	<b>\$29,677.43</b>	Includes Closing Costs. <i>See Calculating Cash to Close on page 3 for details.</i> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower

# Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,950.00</b>		
01 .5 % of Loan Amount (Points)	\$750.00		
02 Application Fee	\$250.00		
03 Origination Fee	\$450.00		
04 Underwriting Fee	\$500.00		
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$610.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$30.00	
03 Flood Determination Fee to Info Co.	\$20.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$935.50</b>		
01 Pest Inspection Fee to Pests Co.	\$85.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,495.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,060.50	\$435.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$60.00</b>		
01 Recording Fees Deed: Mortgage: \$60.00	\$60.00		
02			
<b>F. Prepays</b>	<b>\$2,125.12</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest ( \$17.71 per day from 4/15/2013 to 5/1/2013 )	\$283.36		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,762.07</b>		
Other Costs Subtotals (E + F + G + H)	\$2,762.07		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$5,757.57</b>		
Closing Costs Subtotals (D + I)	\$5,822.57	\$435.00	
Lender Credits	– \$500.00		



## Payoffs and Payments

Use this table to see a summary of your payoffs and payments to others from your loan amount.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$115,000.00
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	<b>\$115,000.00</b>

## Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	<b>NO</b>
Total Closing Costs (J)	– \$5,099.00	– \$5,757.57	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$435.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Total Payoffs and Payments (K)	– \$120,000.00	– \$115,000.00	<b>YES</b> • See <b>Payoffs and Payments (K)</b>
<b>Cash to Close</b>	\$24,901.00 <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$29,677.43 <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$5,322.57

# 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 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

### 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  
123 Anywhere Street, Anytown, ST 12345

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

### Escrow Account

**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	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$576.95	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	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.

## Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$273,214.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$121,029.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,241.94
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.543%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	77.29%



**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](http://www.consumerfinance.gov/mortgage-closing)

## Other Disclosures

### 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.

### Contract Details

See your note and security instrument for information about

- 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.

### Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- 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.
- state law does not protect you from liability for the unpaid balance.

### 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.

### 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.

## Contact Information

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>	Ficus Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			
<b>ST License ID</b>			P76821
<b>Contact</b>	Joe Smith		Joan Taylor
<b>Contact NMLS ID</b>	12345		
<b>Contact __ License ID</b>			
<b>Email</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

## 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

FEBRUARY 7, 2014

# TILA RESPA Integrated Disclosure

**H-25(I) Mortgage Loan Transaction Closing Disclosure – Modification to  
Closing Disclosure for Disclosure Provided to Seller – Model Form**

This is a blank model form of the modification permitted by 12 CFR § 1026.38(t)(5)(vi).



Consumer Financial  
Protection Bureau

# Closing Disclosure

## Closing Information

**Date Issued**  
**Closing Date**  
**Disbursement Date**  
**Settlement Agent**  
**File #**  
**Property**

**Sale Price**

## Transaction Information

**Borrower**

**Seller**

### Summaries of Transactions

#### SELLER'S TRANSACTION

##### Due to Seller at Closing

01 Sale Price of Property  
02 Sale Price of Any Personal Property Included in Sale  
03  
04  
05  
06  
07  
08

##### Adjustments for Items Paid by Seller in Advance

09 City/Town Taxes to  
10 County Taxes to  
11 Assessments to  
12  
13  
14  
15  
16

##### Due from Seller at Closing

01 Excess Deposit  
02 Closing Costs Paid at Closing (J)  
03 Existing Loan(s) Assumed or Taken Subject to  
04 Payoff of First Mortgage Loan  
05 Payoff of Second Mortgage Loan  
06  
07  
08 Seller Credit  
09  
10  
11  
12  
13

08 Seller Credit

09

10

11

12

13

##### Adjustments for Items Unpaid by Seller

14 City/Town Taxes to  
15 County Taxes to  
16 Assessments to  
17  
18  
19

#### CALCULATION

Total Due to Seller at Closing  
Total Due from Seller at Closing

**Cash**  **From**  **To Seller**

### Contact Information

#### REAL ESTATE BROKER (B)

**Name**

**Address**

**\_\_ License ID**

**Contact**

**Contact \_\_ License ID**

**Email**

**Phone**

#### REAL ESTATE BROKER (S)

**Name**

**Address**

**\_\_ License ID**

**Contact**

**Contact \_\_ License ID**

**Email**

**Phone**

#### SETTLEMENT AGENT

**Name**

**Address**

**\_\_ License ID**

**Contact**

**Contact \_\_ License ID**

**Email**

**Phone**



**Questions?** If you have questions about the loan terms or costs on this form, use the contact information above. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/mortgage-closing](http://www.consumerfinance.gov/mortgage-closing)

# Closing Cost Details

Loan Costs	Seller-Paid	
	At Closing	Before Closing
<b>A. Origination Charges</b>		
01 % of Loan Amount (Points)		
02		
03		
04		
05		
06		
07		
08		
<b>B. Services Borrower Did Not Shop For</b>		
01		
02		
03		
04		
05		
06		
07		
08		
<b>C. Services Borrower Did Shop For</b>		
01		
02		
03		
04		
05		
06		
07		
08		

Other Costs		
<b>E. Taxes and Other Government Fees</b>		
01 Recording Fees	Deed:	Mortgage:
02		
<b>F. Prepays</b>		
01 Homeowner's Insurance Premium (    mo.)		
02 Mortgage Insurance Premium (    mo.)		
03 Prepaid Interest (            per day from            to            )		
04 Property Taxes (    mo.)		
05		
<b>G. Initial Escrow Payment at Closing</b>		
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		
<b>H. Other</b>		
01		
02		
03		
04		
05		
06		
07		
08		
09		
10		
11		
12		
13		

<b>J. TOTAL CLOSING COSTS</b>		
-------------------------------	--	--