

Truth-in-Lending Act and Real Estate Settlement Procedures Act TILA- RESPA Integrated Disclosures Policy 12/11/2015

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OVERVIEW

Land Home Financial Services, Inc. Wholesale Division (LHFS) originates loans that are in compliance with the requirements of the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA). When the TRID rule became effective with applications taken on or after October 3, 2015, four familiar disclosures were replaced with two new disclosures. The Good Faith Estimate (GFE) and initial Truth-in-Lending (TIL) are replaced with the Loan Estimate (LE). The Final TIL and HUD-1 Settlement Statement are replaced with the Closing Disclosure (CD).

This document includes key points about the LE and CD and highlights what is required for loans submitted by brokers to LHFS. The information provided in this document should not be used as a substitute for the TILA-RESPA Integrated Disclosure rule. Only the rule and its Official Interpretations (also known as commentary) can provide complete and definitive information regarding its requirements.

There will also be a TRID frequently asked questions (FAQ) document posted on our website to assist with implementing TRID.

THE REGULATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) directed the Consumer Financial Protection Bureau (CFPB) to integrate the mortgage loan disclosures under TILA and RESPA Sections 4 and 5. The Dodd-Frank Act mandated that the CFPB develop and implement model disclosures that integrate the existing TILA and RESPA disclosures. The Consumer Financial Protection Bureau (CFPB) issued a final rule amending Regulation Z (Truth in Lending Act) and Regulation X (Real Estate Settlement Procedures Act) to integrate Mortgage Loan disclosures.

APPLICABILITY/ELIGIBILITY

TRID requirements apply to closed-end consumer credit transactions secured by real property including:

- Purchase
- Refinance
- Construction-Only
- Vacant Land
- Loans Secured by 25 Acres or more
- Investment Property if the transaction is primarily for a consumer purpose (e.g. cash-out to pay college tuition)

Exceptions:

- Home Equity Lines of Credit (HELOCS);
- Reverse Mortgages; or
- Investment Properties for Business Purposes (LHFS requires TRID disclosures on all Investment Properties)*
- Chattel Loans, including those secured by dwellings not attached to real property;
- Loans made by lenders who are not a "creditor" as defined in Reg Z, which make five or fewer mortgages in one year.

*If a lender decides to apply TRID disclosures to investment property loans (where credit is not extended “primarily for personal, family, or household purposes”), the transaction is not automatically subject to all the requirements under Regulation Z.

Comment 3(a)-1 explains:

A creditor must determine in each case if the transaction is primarily for an exempt purpose. If some question exists as to the primary purpose for a credit extension, the creditor is, of course, free to make the disclosures, and the fact that disclosures are made under such circumstances is not controlling on the question of whether the transaction was exempt.

For a Covered Loan with an application date prior to October 3, 2015, the LE/CD cannot be used to comply with RESPA and Reg Z requirements.

For a Covered Loan with an application date on or after October 3, 2015, the GFE/HUD/TIL forms cannot be used to comply with TRID requirements.

APPLICATION DATE

The application date is the date that the broker has collected the following six (6) pieces of information:

- The consumer’s name;
- The consumer’s income;
- The consumer’s social security number to obtain a credit report;
- The property address;
- An estimate of the value of the property; and
- The mortgage loan amount sought.

An application can be submitted in written, electronic, and/or oral format.

An accurate application date is needed to determine which disclosures are required and will be utilized to monitor compliance with the applicable disclosure timing requirements. Brokers should ensure processes are in place to document the date that the six pieces of information are provided by the applicant to the broker.

LOAN ORIGINATION DISCLOSURES

TRID consolidates the Good Faith Estimate (GFE), Truth-in Lending (TIL), HUD-1 Statement, Servicing Disclosure Statement, and Right to Receive Copy of Appraisal into the following two disclosures:

- Loan Estimate (LE);
- Closing Disclosure (CD).

LE OVERVIEW

The LE integrates and replaces the existing GFE and the initial TIL disclosure and helps the consumer understand the key features, costs, and risks associated with the loan for which they are applying. It must be delivered (provided or placed in the mail) within three business days of the receipt of the consumer's loan application and at least seven business days prior to consummation

The initial LE must be provided within three business days of the application date (as described in the Application Date section above).

- The initial LE must be provided no less than seven business days prior to consummation.
- A revised LE must be provided within three business days of Lock Date.
- A revised LE must be provided within three business days of knowledge when there is a valid changed circumstance that results in charges to increase more than is permitted under the rule.
- The last revised LE must be received no later than four business days prior to consummation.
- LE must not be provided after the CD has been provided to the consumer

Note: A creditor or other person may not impose any fee on a consumer in connection with the consumer's application for a mortgage transaction until the consumer has received the LE and has indicated intent to proceed with the transaction. The only exception to this exclusion is for a bona fide and reasonable fee for obtaining a consumer's credit report.

A broker is prohibited from requiring the consumer to submit documents verifying information relating to the consumer's application until the LE has been provided.

LE DISCLOSURE

LHFS will offer two options to our approved brokers when it comes to disclosing the LE

1. LHFS will accept an LE generated by the broker (with the lender field blank or filled in with LHFS as the Lender/Creditor). If the broker submits an LE that has been disclosed, LHFS will re-disclose the LE and required federal, state and local disclosures to the consumer(s). The broker will have to certify on eXPRESS that the application was taken within three days of having the six items that constitute an application and upload a FNM 3.2 file, and submit a complete file. A loan where the broker has disclosed the LE can be submitted up to 45 business days after the initial LE was delivered to the consumer. The loan must be compliant with HMDA and MDIA
2. LHFS will disclose the LE for the broker. The broker will need to select this option from the eXPRESS upload screen and submit an LE Request Transmittal, FNM 3.2 file, signed 1003, written list of service providers, CA BRE MLDS Waiver (CA loans only) a draft LE (typed) and purchase contract (if applicable). These files must be submitted to LHFS by 3 pm Pacific time the following day after the application has been taken

Please see Figure 1 "eXPRESS Upload Screen" below.

LHFS will require that the consumer sign and date the LE. LHFS will ensure the LE is correct.



NMLS #1796 Thursday, November 19, 2015

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1355 Willow Way, Ste 250
Concord, CA 94520
Phone: (800) 398-0865
CustomerService@LHFSWholesale.com

Loan Assistance >

Upload a File

Broker Overview

Borrower Paid / Lender Paid / NA - NOO or HECM ARM *

Loan Information

Loan Program * FICO *
 Loan Purpose * Include Admin Fee in Price: Yes/No *

Compliance (TRID)

Application Date Cert: I certify that the Application date on this loan is: * (mm/dd/yyyy) LHFS to Disclose LE on Our Behalf (Yes/No) *
 Intent to Proceed Cert: I certify that the borrower(s) indicated their intent to proceed on: * (mm/dd/yyyy) Loan Estimate Date Cert: I certify that the Initial Loan Estimate was issued to borrower(s) on: * (mm/dd/yyyy)

Upload 3.2 File

File to upload: Browse...
 File type: FNM 3.2



Figure 1. eXPRESS Upload Screen



LE CONTENT

The LE is a three (3) page document that generally contains the following information:

Page	Description
1	<ul style="list-style-type: none"> • General information of the specific loan transaction including creditor information. • Loan Terms table with descriptions of applicable information about the loan. • Projected Payments table • Costs at Closing table • A link for consumers to obtain more information about loans secured by real property at a website maintained by the CFPB. • A required statement "Save this Loan Estimate to compare with your Closing Disclosure."
2	<ul style="list-style-type: none"> • A good-faith itemization of the Loan Costs and Other Costs associated with the loan and paid by the applicant/consumer. • A Calculating Cash to Close table to show the consumer how the amount of cash needed at closing is calculated. • Adjustable Payment Loans - an Adjustable Payment Table detailing how the monthly payments will change. • Adjustable Rate Loans – an Adjustable Interest Rate Table detailing how the interest rate will change.
3	<ul style="list-style-type: none"> • Creditor contact information. • A Comparisons table reflecting an estimated five (5) year payment breakdown, the APR, and the Total Interest Paid (TIP). • An Other Considerations table including the ECOA Right to Receive a Copy of the Appraisal statement, Assumption requirements, Late Payment information, and the Servicing Statement disclosure. • An optional Signature Statement for the consumer to sign to acknowledge receipt.

LE DELIVERY REQUIREMENTS

The creditor is responsible for ensuring that it delivers, or places in the mail, the LE no later than the third business day after receiving the application. MDIA waiting periods apply; therefore the LE must also be delivered, or placed in the mail, no later than the seventh business day before consummation of the loan. Refer to the TILA-MDIA Policy for further information.

LE DELIVERY METHODS

Delivery	Description	Proof of Delivery
In Person	If the application is taken face to face, it is acceptable to deliver the disclosure in person. The disclosure is considered "delivered" once the disclosure has been given to the consumer.	Signed and dated copy of the disclosure.
Email	Email delivery is allowed as long as it is compliant with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign). If email delivery was not in compliance with the E-Sign Act, all timing requirements default to First-Class Mail.	E-Sign compliant acknowledgement received by the creditor.
Overnight	Disclosures shipped overnight, will be considered "received" on the date the consumer(s) sign for receipt of the overnight delivery.	Signed and dated copy of the delivery notice.
First-Class Mail	Delivery of the disclosure via first-class mail delivery is acceptable. For timing purposes, four (4) business days for mailing, including the day the document was mailed, is required. The document is assumed to be/considered "delivered" on the 4 th day. For example, if the document was mailed on Monday, count Monday, Tuesday, Wednesday and Thursday of the same week. Delivery is assumed to be on Thursday.	No proof of delivery is required; however a copy of the disclosure must still be maintained in the file.

NOTE: A disclosure that is signed and dated by the consumer(s) can be considered delivered as of the date it was actually signed (if that date is earlier than an "assumed" delivery date).

LE TIMING REQUIREMENTS

The LE must be delivered or placed in the mail to the consumer no later than the third business day after the creditor receives the application.

LE BUSINESS DAY

For purposes of providing the LE, a business day is a day on which the creditor's offices are open to the public for carrying out substantially all of its business functions. LHFS business days are defined as Monday through Friday. Saturday and/or Sunday are not considered business days.

NOTICE OF INTENT (NOI) TO PROCEED

After the consumer has received the initial LE, the issuer of the LE is responsible for obtaining and documenting the consumers expressed intent to proceed with the transaction. If LHFS discloses the initial LE, LHFS will obtain an e-signature or a wet signature from the consumer(s). If the broker discloses the initial LE, LHFS will require that the initial LE be signed by the consumer(s). LHFS will accept a consumer signed NOI or a signed loan originator affidavit that they have received a verbal NOI. The NOI should refer to the date of the initial LE signed by the consumer. Please see the Sample Forms section.

REVISIONS AND CORRECTIONS TO THE LE

Creditors are typically bound by the figures disclosed on the initial LE provided within three (3) business days of the application. Creditors may provide a revised LE in the following circumstances:

- Changed circumstances that occur after the LE is provided to the consumer resulting in estimated settlement charge(s) to increase more than the allowable tolerance.
- Changed circumstances that occur after the LE is provided to the consumer that affects the consumer's eligibility for the terms for which the consumer applied or the value of the security for the loan.
- Revisions to the credit terms or the settlement are requested by the consumer.
- The interest rate was not locked when the LE was provided, and locking the rate causes the points or lender credits disclosed on the LE to change.
- The consumer indicates their intent to proceed with the transaction after the LE has expired.
NOTE: An LE must be valid for a minimum of ten (10) business days
- The loan is a new construction loan, and settlement is delayed by more than sixty (60) calendar days; if the original LE states that at any time prior to sixty (60) calendar days before consummation, the creditor may issue revised disclosures.

An LE **MAY NOT** be reissued and/or revised due to miscalculations or underestimations of charges. LHFS reserves the right to decline loans with incorrect information.

CHANGED CIRCUMSTANCES

A changed circumstance is defined as:

- An extraordinary event beyond the control of any interested party or other unexpected event specific to the consumer or transaction (e.g., acts of God, war, disaster, or other emergency).
- Information specific to the consumer or transaction that the creditor relied upon when providing the LE and that was inaccurate or changed after the disclosures were provided (e.g., credit quality, loan amount, property value).
- New information specific to the consumer or transaction that the creditor did not rely on when providing the LE (e.g., boundary disputes, flood zone, appraisal changes).

NOTE: An LE can be issued prior to collecting all required minimum information (i.e., consumer's name, monthly income, social security number, property address, an estimate of the value of the property, or the mortgage loan amount sought), but the creditor may not collect it later and claim a changed circumstance. For example, if a creditor provides an LE prior to receiving the property address from the consumer, the creditor cannot claim that the receipt of the property address is a changed circumstance.

REVISED LE TIMING REQUIREMENTS

The creditor must deliver or place in the mail the revised LE to the consumer no later than three (3) business days after receiving the information that results in a valid circumstance. If the revised LE is not disclosed within three (3) business days of the change, the increased cost cannot be passed onto the consumer.

LHFS will maintain copies of the initial LE and all revised LE's. In addition to the revised LE, the loan file must contain supporting documentation detailing the reason for the valid change of circumstance. Every revised LE must have a corresponding Changed Circumstance Worksheet unless the sole reason for the change was due to a rate lock or no-cost rate lock extension.

The creditor may not provide a revised LE on or after the date it provides the CD. Therefore, the creditor must ensure that the consumer receives the revised LE no later than four (4) business days prior to consummation.

RECORD RETENTION

Under the rule, each completed LE and any related documents must be retained for three years.

LE VARIANCES

Similar to today's rules under RESPA, there are three tolerance buckets that apply to the new disclosures under the TRID rule. The rules have changed slightly however, particularly with the treatment of fees

- when the consumer is allowed to shop for a service provider,
- when they are not allowed to shop for a service provider, and
- At Closing, whether they did or did not shop for a service provider.

As a result, fees may "move" between different sections on the LE and/or CD, and may be subject to a different tolerance throughout the application process. Creditors are responsible for ensuring that the figures stated in the LE are made in good faith and consistent with the best information reasonably available to the creditor at the time they are disclosed.

To determine if an LE was provided in good faith is determined by comparing the differences between the estimated charges disclosed on the LE and the actual charges paid by the consumer as disclosed on the CD.

Creditors may charge a consumer more than the amount disclosed on the LE in certain specific circumstances such as:

- Allowed charges that may change by no more than 10% of the originally disclosed amount;
- Allowed charges that may change under any circumstance by more than what was originally disclosed; and
- Valid special circumstances as described in the Changed Circumstances section.

Charges that CANNOT Increase	Charges that CAN Increase 10%	Charges that CAN Increase with No Restrictions
<ul style="list-style-type: none"> • Any fee paid to the Lender or broker or affiliate of either*; • Fees paid to an unaffiliated third party for LENDER required services if the creditor DID NOT permit the consumer to shop; • Consumer credit or charge for the specific interest rate chosen; and • Transfer taxes. <p>*If a fee is paid to a Lender or broker but is passed onto an unaffiliated third party, it is not included in the 0% tolerance. The loan file must contain evidence that the fee is being passed on to the unaffiliated 3rd party.</p>	<ul style="list-style-type: none"> • Recording fees; • Government charges; and • Fees paid to an unaffiliated third party for LENDER required services if the creditor DID permit the consumer to shop and the consumer selects a service provider from the Settlement Services Provider List. 	<ul style="list-style-type: none"> • Initial deposit for escrow; • Daily interest charges; • Homeowner's insurance; • Fees paid to an unaffiliated third party for LENDER required services if the creditor DID permit the consumer to shop, and the consumer selects a service provider that is not on the Settlement Services Provider List; and • Fees paid to an unaffiliated third party for non-required services.

TEN PERCENT CUMULATIVE TOLERANCE

Charges for third-party services and recording fees paid by or imposed on the consumer are grouped together and subject to a 10% cumulative tolerance. This means the creditor may charge the consumer more than the amount disclosed on the LE for any of these charges so long as the total sum of the charges added together does not exceed the sum of all such charges disclosed on the LE by more than 10%.

A creditor may charge more than 10% in excess of an individual charge in a specific category provided the total of all charges is still within the 10% cumulative tolerance.

A creditor may charge a consumer for a fee that would fall under the 10% cumulative tolerance but was not included on the LE provided the total of all charges in a specific category paid does not exceed the sum of all estimated charges by more than 10%.

CHARGES ON THE LE FOR SERVICES NOT PERFORMED

The creditor should compare the total charges actually paid by or imposed on the consumer with the total charges on the LE that are actually performed. If a service is not performed, the estimate for that charge should be removed from the total amount of estimated charges for comparison purposes.

EXCESS CHARGES

If the amounts paid by the consumer at closing exceed the amounts disclosed on the LE beyond the allowable tolerances, the creditor must refund the excess to the consumer no later than sixty (60) calendar days after consummation.

- For charges subject to zero tolerance, any amount charged beyond the amount disclosed on the LE must be refunded to the consumer.
- For charges subject to a 10% cumulative tolerance, the amount of the total sum of the charges added together that exceeds the total amount of charges disclosed on the LE by more than 10% must be refunded to the consumer.

SHOPPED SERVICES

When applicable, no later than three business days after receiving the application, LHFS will provide a list of services for which the consumer may shop and identify at least one provider for each service. Lenders must include a copy of the written list of services/providers in the Loan file to Land Home Financial Services. The Settlement Services Provider List (SSPL) must:

- Identify at least one (1) available settlement service provider for each service;
- State that the consumer may choose a different provider of that service; and
- Must correspond to the settlement services for which the consumer can shop as disclosed on the LE.

CD OVERVIEW

For loans that require an LE and proceed to closing, LHFS will provide a new final disclosure reflecting the actual terms of the transaction called the CD. LHFS must ensure the CD is delivered and signed by the consumer no later than three (3) business days before consummation. The CD must comply with all prescribed information within the Rule and may be re-issued with revisions and/or new timing requirements in certain circumstances. LHFS will work with settlement agents to prepare the CDs. LHFS will continue to require final disclosures, including the CD, be signed in ink and dated at closing by all applicable parties.

CD CONTENT

The creditor must ensure the CD contains the correct and specific content for that transaction. The CD is a five (5) page document that generally contains the following information:

Page	Description
1	<ul style="list-style-type: none"> General information of the specific loan transaction, including creditor information. Loan Terms table with descriptions of applicable information about the loan. Projected Payments table. Costs at Closing table.
2	<ul style="list-style-type: none"> Actual amounts of the Loan Costs associated with the loan, including a breakdown of items being paid by all parties. Actual amounts of the Other Costs associated with the loan, including a breakdown of items being paid by all parties.
3	<ul style="list-style-type: none"> A Calculating Cash to Close table to show the consumer the amount of cash required at closing. A Summaries of Transactions table. Refinance loans – a Payoff and Payments table (optional).
4	<ul style="list-style-type: none"> Loan Disclosures section, including information on Assumption Requirements; Demand Features, Late Charge Information; Partial Payment Policy; Escrow Information. Adjustable Payment Loans - an Adjustable Payment Table detailing how the monthly payments will change. Adjustable Rate Loans – an Adjustable Interest Rate Table detailing how the interest rate will change.
5	<ul style="list-style-type: none"> Loan Calculation table, including Total of Payments, Finance Charge, Amount Financed, APR, and TIP. A link for consumers to ask questions or make a complaint at a website maintained by the CFPB. Contact Information for the Creditor, Mortgage Broker, Real Estate Broker(s), and Settlement Agents. Other Disclosures An optional Signature Statement for the consumer to sign to acknowledge receipt.

LHFS will use the version of the CD that is applicable to the transaction; for example, you may not use the purchase version of the form for a refinance.

AVERAGE CHARGES FOR SETTLEMENT SERVICES

LHFS will **NOT** use or allow the use of average charges for any settlement service.

CD DELIVERY REQUIREMENTS

The creditor must ensure the CD is delivered and signed by the consumer no later than three (3) business days before consummation. Delivery methods for the CD may vary. Acceptable delivery methods include:

Type	Description	Proof of Delivery
In Person	The CD may be provided to the consumer in person. The disclosure is considered “delivered” once the disclosure has been given to the consumer.	Signed and dated copy of the disclosure.
Email	E-mail delivery is allowed provided it is E-Sign compliant with an LHFS approved vendor. NOTE: If e-mail delivery was not in compliance with the E-Sign Act, all timing requirements default to First-Class Mail.	E-Sign compliant; e-signature received by the creditor.
Overnight	It is acceptable to deliver the CD via UPS, Fed-Ex, or other national delivery services. The disclosure is considered “delivered” once the overnight package containing the disclosure has been signed for.	Signed and dated copy of the delivery notice.
First-Class Mail	Delivery of the disclosure via first-class mail delivery is acceptable. For timing purposes, four (4) business days for mailing, including the day the document was mailed, is required. The document is assumed to be/considered “delivered” on the 4 th day. For example, if the document was mailed on Monday, count Monday, Tuesday, Wednesday, and Thursday of the same week. Delivery is assumed to be on Thursday.	No proof of delivery is required; however, a copy of the disclosure must still be maintained in the file.

NOTE: A disclosure that is signed and dated by the consumer(s) can be considered delivered as of the date it was actually signed (if that date is earlier than an “assumed” delivery date).

CD TIMING REQUIREMENTS

LHFS will issue the CD and ensure the CD is delivered and signed by the consumer no later than three (3) business days before consummation. The loan cannot close until the third business day after the CD is signed.

VARIANCES AFTER THE CD IS ISSUED

If the changed circumstance event occurs between the third and fourth business days from consummation, the creditor may reflect the revised charges on the CD which must be signed by the consumer three (3) business days before consummation.

If the changed circumstance event occurs after the first CD has been provided to the consumer (**within the three-business-day waiting period before consummation**), the creditor may use revised charges on the CD provided to the consumer at consummation and compare those amounts to the amounts charged for purposes of determining tolerance.

If the changed circumstance event occurs earlier than the fourth business day from consummation and a CD has already been provided to the consumer, the CD previously provided to the consumer must be compared to the final CD issued at closing for purposes of determining tolerances. Issuing a CD earlier in the loan process can limit the ability to pass along all costs associated with a valid change of circumstances. LHFS will require a consumer and seller signed CD at closing.

CONSUMATION DATE DEFINITION

Consummation date is defined as the date the consumer becomes legally obligated to the transaction. LHFS will use the date the mortgage note is signed as the consummation date in all states.

CD BUSINESS DAY DEFINITION

For purposes of providing the CD, a business day means all calendar days except Sundays and the legal public holidays, such as New Year's Day, the Birthday of Martin Luther King, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

EARLIEST TO CLOSE DATE

The earliest date a loan can close varies depending on the delivery method and proof of delivery. For First-Class Mail Delivery:

IF CD is Mailed On:	THEN Assume Receipt On:	THEN Business Days Are	AND Loan Can Close On
Monday	Thursday	Friday, Saturday, Monday	The second Monday
Tuesday	Friday	Saturday, Monday, Tuesday	The second Tuesday
Wednesday	Saturday	Monday, Tuesday, Wednesday	The second Wednesday
Thursday	Monday	Tuesday, Wednesday, Thursday	The second Thursday
Friday	Tuesday	Wednesday, Thursday, Friday	The second Friday
Saturday	Wednesday	Thursday, Friday, Saturday	The second Saturday

NOTE: If a federal holiday occurs, it cannot be counted even if LHFS is open for business.

For all other delivery methods:

IF CD is Acknowledged On:	THEN Business Days Are	AND Loan Can Close On
Monday	Tuesday, Wednesday, Thursday	Thursday
Tuesday	Wednesday, Thursday, Friday	Friday
Wednesday	Thursday, Friday, Saturday	Saturday
Thursday	Friday, Saturday, Monday	Monday
Friday	Saturday, Monday, Tuesday	Tuesday
Saturday	Monday, Tuesday, Wednesday	Wednesday

WAIVING OF WAITING PERIOD

LHFS will not allow the three (3) day waiting period to be waived.

DELIVERY REQUIREMENTS – LOANS WITH MULTIPLE CONSUMERS

IF the Loan is A	THEN
Purchase Money Loan	The CD can be given to the primary applicant or any consumer with primary liability for the loan.
Refinance or other rescindable transaction	The CD must be given separately to each consumer who has the right to rescind under TILA.

NOTE: Proof of delivery (e-signature or wet signature) is required for all parties that receive a CD.

CD SETTLEMENT AGENT RESPONSIBILITY

LHFS is responsible for ensuring the CD is received and signed by the consumer no later than three (3) business days before consummation. **LHFS will divide the responsibility for completing the CD with the settlement agent and will retain responsibility for delivery to the consumer and obtaining the consumer's signature.**

The settlement agent is required to provide the seller with the CD reflecting the actual terms of the seller's transaction and must be provided to the seller no later than the day of consummation. **LHFS will require the settlement agent to provide the seller with a separate disclosure and not the CD provided to the consumer.** LHFS will retain a copy of the seller's signed CD in the loan file.

REVISIONS AND CORRECTIONS TO CDs

LHFS will re-disclose terms or costs on the CD if certain changes occur to the transaction after the disclosure was first provided that cause the disclosure to become inaccurate. There are three (3) categories that require a corrected CD:

- Changes that occur before consummation that require a new three (3) business day waiting period.
- Changes that occur before consummation and do not require a new three (3) business day waiting period.
- Changes that occur after consummation.

IF the Change is:	THEN the Delivery Requirement is:
APR varies by 1/8 for fixed products or 1/4 for ARM	No later than the third business day before consummation
Any Change in program	No later than the third business day before consummation
Any numeric correction (fee, changes to seller paid amounts, etc.) that occurs during the 30 calendar day period after consummation	Providing a corrected CD no later than 30 calendar days after receiving notification of fee change. Any refunds for excess fees charged must be provided to the consumer no later than 60 days after consummation along with the corrected CD reflecting the refund.
Any non-numeric/clerical correction that occurs during the 60-calendar-period after consummation	Provide a corrected CD no later than 60 days after consummation.

NOTE: Any refund of monies requires a revised CD.

Creditors are required to maintain copies of the initial CD and all revised CD's.

PRE-APPLICATION COST ESTIMATES

TRID does not prohibit a creditor or other person from providing a consumer with estimated terms or costs prior to the consumer receiving the LE. However, if a consumer is provided with a written estimate of terms or costs specific to that consumer before the consumer receives the LE, it must:

- Clearly and conspicuously state at the top of the front of the first page of the written estimate “Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing the loan.”
- Be in font size no smaller than 12-point font.
- Not have headings, content, and format substantially similar to the LE or the CD.

RECORD RETENTION

LHFS will retain copies of the CD and all related documents to this disclosure for five (5) years after the loan consummation, The Post Consummation Escrow Cancellation Notice (Escrow Closing Notice) and the Post-Consummation Partial Payment Policy disclosure for two (2) years. All other documents must be maintained for three (3) years after the loan closing.

RIGHT TO RECEIVE APPRAISAL

The LE and CD include a statement that LHFS is required to provide the consumer a copy of the appraisal. This existing notice has been integrated into page 3 of the LE and page 5 of the CD.

SERVICING RELATED DISCLOSURES

TRID changes affect some servicing related disclosures provided to consumers by creditors or servicers.

ESCROW CLOSING NOTICE

The Escrow Closing Notice must be provided to any consumer prior to cancelling an escrow account **during the servicing of the loan**. When the consumer requests the escrow account cancellation, the servicer must ensure the consumer receives the Escrow Closing Notice no later than three (3) business days before the escrow account is closed. If the escrow account is cancelled for any other reason, the servicer must ensure that the consumer receives the Escrow Closing Notice no later than thirty (30) business days before the escrow account is closed; the mailbox rule applies. If the notice is not provided to the consumer in person, the consumer is considered to have received the disclosures three (3) business days after they are delivered or placed in the mail.

There are two (2) exceptions to the requirement:

- Servicers are not required to provide the notice if the escrow account that is being cancelled was established in connection with the consumer’s delinquency on the mortgage.
- Servicers are not required to provide the notice when the mortgage is terminated, including repayment, refinancing, rescission, and foreclosure.

SERVICING TRANSFER NOTICE

The LE includes a statement of whether LHFS intends to service the loan or transfer the loan to another servicer. This existing notice has been integrated into page 3 of the LE.

If the broker discloses the LE they should select the option that they intend to transfer the loan to another servicer.

PARTIAL PAYMENT NOTICE

On page 4 of the CD, a statement must be disclosed of whether the creditor:

- Accepts partial payments and applies the payments to the consumer's loan;
- Holds partial payments in separate account until the consumer sends the rest of the payment, and then applies the full payment to the loan; or
- Does not accept any partial payments.

LHFS does not accept partial payments.

USEFUL LINKS

CFPB WEBSITES/DOCUMENTS:

- [TILA-RESPA Integrated Disclosure rule implementation](#)
- [Updated: TILA-RESPA Integrated Disclosure Rule Small Entity Compliance Guide](#)
- [TILA-RESPA Guide to the Loan Estimate and Closing Disclosure forms](#)
- [Disclosure Timeline Example](#)
- [Integrated Loan Disclosure Forms and Samples](#)
- [Updated: 2014 CFPB Mortgage Rules Readiness Guide](#)

If, after reviewing the rule, you still have a specific TRID regulatory interpretation question, you may consider sending it to the CFPB for a response. Questions for the CFPB can be sent by email and should include a detailed message, including your name, contact information, details about your regulatory question and the specific title, section or subject matter to CFPB_RegInquiries@cfpb.gov. If you do not have access to the internet, you may leave this information in a voicemail at 202-435-7700.

VIDEOS/WEBINARS (registration is required to view the recordings.)

- [TILA-RESPA Integrated Disclosures, Part 1 – Overview of the Rule](#)
- [FAQs on the TILA-RESPA Integrated Disclosures, Part 2 – Various Topics](#)
- [FAQ on the TILA-RESPA Integrated Disclosures, Part 3 – Completing the Loan Estimate](#)
- [TILA-RESPA Integrated Disclosures, Part 4 – Completing the Closing Disclosure](#)
- [TILA-RESPA Integrated Disclosure, Part 5: Implementation Challenges and Questions](#)

SAMPLE FORMS – Notice of Intent to Proceed with Loan Application

Notice of Intent to Proceed with Loan Application

Date: **DECEMBER 9, 2015**

Originator: **TEST BROKER**

Borrower(s): **KRISSY TEST**

Property Address: **123 MAIN STREET, HONOLULU, HI 96813**

TEST
Loan#: 262613

NOTE: SIGN THIS FORM ONLY IF YOU WISH TO PROCEED WITH THE LOAN APPLICATION COVERED BY THE LOAN ESTIMATE. IF YOU WISH TO PROCEED, PLEASE RETURN A SIGNED AND DATED COPY OF THIS NOTICE OF INTENT TO PROCEED TO THE LOAN ORIGINATOR.

Each of the undersigned Borrower(s), having received a copy of a Loan Estimate ("LE"), dated **DECEMBER 9, 2015**, hereby expresses his or her intention to continue with the loan application covered by the LE.

- BORROWER - **KRISSY TEST** - DATE -

TEST BROKER(NMLS#: 55555)| JOEY BROKER(NMLS #: 12345)

19491.12

Page 1 of 1



262613-9222-1-1



SAMPLE FORMS – LO Certification of Issuance of LE/Intention to Proceed



CERTIFICATION
Issuance of Loan Estimate / Intention to Proceed

_____ (“Broker”) hereby certifies the following:

- (1) Broker received a completed residential mortgage loan application (“Application”) from the Borrower(s) named below;
- (2) The Application consists of a minimum of: (1) Borrower’s name; (2) Borrower’s income; (3) Borrower’s Social Security Number; (4) subject property address; (5) estimate of subject property value; and (6) the loan amount sought;
- (3) Broker issued the initial Loan Estimate to Borrower within three (3) business days of the date of receiving the Borrower’s Application; and
- (4) Within ten (10) business days of Borrower’s receipt of the Loan Estimate, Borrower stated their intention to proceed with the loan from Land Home Financial Services, Inc.

The undersigned Broker certifies the above is true and correct, and further certifies that all compensation paid by Broker to its loan originator employees complies with all federal and state regulations.

CONSUMER / BORROWER NAME: _____

SUBJECT PROPERTY: _____

Authorized Broker Representative:

Signature: _____

Printed Name: _____

Title: _____

Date: _____



SAMPLE FORMS – Loan Estimate (page 1 of 3)

LAND HOME FINANCIAL SERVICES, A CALIFORNIA CORPORATION

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 12/09/2015
APPLICANTS KRISSEY TEST
TEST ST
CONCORD, CA 94520
PROPERTY 123 MAIN STREET
HONOLULU, HI 96813
SALE PRICE \$300,000

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT FIXED RATE
LOAN TYPE Conventional FHA VA _____
LOAN ID # 262613
RATE LOCK NO YES, until 1/8/2016 AT 12:00 AM PST
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 12/21/2015 4:00 PM PST

Loan Terms		Can this amount increase after closing?
Loan Amount	\$225,000	NO
Interest Rate	3.500%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$1,010.35	NO
Does the loan have these features?		
Prepayment Penalty		NO
Balloon Payment		NO
Projected Payments		
Payment Calculation	Years 1-30	
Principal & Interest		\$1,010.35
Mortgage Insurance	+	0
Estimated Escrow <i>Amount can increase over time</i>	+	313
Estimated Total Monthly Payment		\$1,323
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$313 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input 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>
		In escrow? YES
Costs at Closing		
Estimated Closing Costs	\$3,569	Includes \$1,390 in Loan Costs + \$2,179 in Other Costs - \$0 in Lender Credits. <i>See page 2 for details.</i>
Estimated Cash to Close	\$78,569	Includes Closing Costs. <i>See Calculating Cash to Close on page 2 for details.</i>

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.



SAMPLE FORMS – Loan Estimate (page 2 of 3)

Closing Cost Details

Loan Costs

A. Origination Charges	\$925
% of Loan Amount (Points)	
ADMINISTRATION FEE – LHFSW	\$925

B. Services You Cannot Shop For	\$445
APPRAISAL – TPO	\$400
CREDIT REPORT FEE	\$45

C. Services You Can Shop For	\$20
TITLE – NOTARY FEE	\$20

D. TOTAL LOAN COSTS (A + B + C)	\$1,390
--	----------------

Other Costs

E. Taxes and Other Government Fees	\$75
Recording Fees and Other Taxes	\$75
Transfer Taxes	

F. Prepaids	\$691
Homeowner's Insurance Premium (months)	
Mortgage Insurance Premium (months)	
Prepaid Interest (\$21.58 per day for 32 days @ 3.500%)	\$691
Property Taxes (months)	

G. Initial Escrow Payment at Closing	\$625
---	--------------

Homeowner's Insurance	per month for	mo.	
Mortgage Insurance	per month for	mo.	
Property Taxes	\$312.50 per month for	2	mo. \$625

H. Other	\$788
-----------------	--------------

TITLE – OWNERS TITLE INSURANCE (OPTIONAL)	\$788
---	-------

I. TOTAL OTHER COSTS (E + F + G + H)	\$2,179
---	----------------

J. TOTAL CLOSING COSTS	\$3,569
-------------------------------	----------------

D + I	\$3,569
Lender Credits	

Calculating Cash to Close

Total Closing Costs (J)	\$3,569
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$75,000
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$78,569



SAMPLE FORMS – Loan Estimate (page 3 of 3)

Additional Information About This Loan

LENDER	LAND HOME FINANCIAL SERVICES, A CALIFORNIA CORPORATION	MORTGAGE BROKER	TEST BROKER
NMLS/ ___ LICENSE ID	1796	NMLS/ HI LICENSE ID	55555
LOAN OFFICER		LOAN OFFICER	JOEY BROKER
NMLS/ ___ LICENSE ID		NMLS/ ___ LICENSE ID	12345
EMAIL		EMAIL	COLINBROKERLO@LHFS.COM
PHONE		PHONE	(111) 111-1111

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$62,702	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$23,182	Principal you will have paid off.
Annual Percentage Rate (APR)	3.558%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	61.963%	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 <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input checked="" type="checkbox"/> 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 overdue monthly payment, but not more than \$25.
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 <input checked="" type="checkbox"/> to service your loan. If so, you will make your payments to us. <input type="checkbox"/> 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.

 KRISSY TEST Date



SAMPLE FORMS – Closing Disclosure (page 1 of 5)

Test Broker, NMLS# 55555, Joey Broker, NMLS# 12345

Closing Disclosure

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

Closing Information		Transaction Information		Loan Information	
Date Issued	12/11/2015	Borrower	Ms. Krissy Test Test St Concord, CA 94520	Loan Term	30 years
Closing Date				Purpose	Home Equity Loan
Disbursement Date	12/31/2015			Product	Fixed Rate
Settlement Agent	Test			Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #				<input type="checkbox"/> VA <input type="checkbox"/>	
Property	123 MAIN STREET Honolulu, HI 96813	Lender	Land Home Financial Services, a California Corporation	Loan ID #	262613
Estimated Prop. Value	\$300,000			MIC #	

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$225,000	NO
Interest Rate	3.5%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$1,010.35	NO
Does the loan have these features?		
Prepayment Penalty	NO	
Balloon Payment	NO	

Projected Payments	
Payment Calculation	Years 1-30
Principal & Interest	\$1,010.35
Mortgage Insurance	+ 0
Estimated Escrow <i>Amount can increase over time</i>	+ 312.50
Estimated Total Monthly Payment	\$1,322.85
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$312.50 a month
	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
	In escrow? YES

Costs at Closing	
Closing Costs	\$3,568.06 Includes \$1,390.00 in Loan Costs + \$2,178.06 in Other Costs -\$0 in Lender Credits. <i>See page 2 for details.</i>
Cash to Close	-\$221,431.94 Includes Closing Costs. <i>See Calculating Cash to Close on page 3 for details.</i>

CLOSING DISCLOSURE
f4801p1 11/17/15 df

PAGE 1 OF 5 • LOAN ID # 262613



SAMPLE FORMS – Closing Disclosure (page 2 of 5)

Test Broker, NMLS# 55555, Joey Broker, NMLS# 12345

Closing Cost Details

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
A. Origination Charges	\$925.00		
01 % of Loan Amount (Points)			
02 Administration Fee - LHFSW	\$925.00		
03 Borrower Paid Compensation - TPO			
04 Broker Compensation Paid by Lender			(L)
05			
06			
07			
08			
B. Services Borrower Did Not Shop For	\$465.00		
01 Appraisal - TPO to	\$400.00		
02 Credit Report Fee to	\$45.00		
03 Home Inspection Fee to			
04 Mortgage Insurance Premium to			
05 Pest Inspection to			
06 Title - Notary Fee to	\$20.00		
07			
08			
09			
10			
C. Services Borrower Did Shop For			
01			
02			
03			
04			
05			
06			
07			
08			
D. TOTAL LOAN COSTS (Borrower-Paid)	\$1,390.00		
Loan Costs Subtotals (A + B + C)	\$1,390.00	\$0.00	

Other Costs

E. Taxes and Other Government Fees	\$75.00		
01 Recording Fee	\$75.00		
02			
F. Prepays	\$690.56		
01 Homeowner's Insurance Premium (12 months) to	\$0.00		
02 Mortgage Insurance Premium (months)			
03 Pre paid Interest (\$21.58 per day from 12/31/15 to 2/1/16)	\$690.56		
04 Property Taxes (months) to			
05			
G. Initial Escrow Payment at Closing	\$625.00		
01 Homeowner's Insurance \$0.00 per month for 2 mo.	\$0.00		
02 Mortgage Insurance per month for mo.			
03 Property Taxes \$312.50 per month for 2 mo.	\$625.00		
04			
05			
06			
07			
08 Aggregate Adjustment	\$0.00		
H. Other	\$787.50		
01 Title - Owners Title Insurance (optional) to	\$787.50		
02			
03			
04			
05			
06			
07			
08			
I. TOTAL OTHER COSTS (Borrower-Paid)	\$2,178.06		
Other Costs Subtotals (E + F + G + H)	\$2,178.06	\$0.00	
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$3,568.06		
Closing Costs Subtotals (D + I)	\$3,568.06	\$0.00	\$0.00
Lender Credits			

f4801p2 10/09/15 df

PAGE 2 OF 5 • LOAN ID # 262613



262613-4801-2-5-320



SAMPLE FORMS – Closing Disclosure (page 3 of 5)

Test Broker, NMLS# 55555, Joey Broker, NMLS# 12345

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)	\$3,569.00	\$3,568.06	NO
Closing Costs Paid Before Closing	\$0	\$0	NO
Closing Costs Financed (Paid from your Loan Amount)	-\$3,569.00	-\$3,568.06	YES • You included these Closing Costs in the loan amount
Down Payment/Funds from Borrower	\$0	\$0	NO
Deposit	\$0	\$0	NO
Funds for Borrower	-\$221,431.00	-\$221,431.94	YES • Your funds from the loan amount have decreased
Seller Credits	\$0	\$0	NO
Adjustments and Other Credits	\$0	\$0	NO
Cash to Close	-\$221,431.00	-\$221,431.94	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing		\$3,568.06
01 Sale Price of Property		\$0.00
02 Sale Price of Any Personal Property Included in Sale		
03 Closing Costs Paid at Closing (J)		\$3,568.06
04 Payoffs and Payments		
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		
12		
13		
14		
15		

L. Paid Already by or on Behalf of Borrower at Closing		\$225,000.00
01 Deposit		\$0.00
02 Loan Amount		\$225,000.00
03 Existing Loan(s) Assumed or Taken Subject to		
04		
05 Seller Credit		
Other Credits		
06		
07		
Adjustments		
08		
09		
10		
11		
Adjustments for Items Unpaid by Seller		
12 City/Town Taxes	to	
13 County Taxes	to	
14 Assessments	to	
15		
16		
17		

CALCULATION		
Total Due from Borrower at Closing (K)		\$3,568.06
Total Paid Already by or on Behalf of Borrower at Closing (L)		-\$225,000.00
Cash to Close	<input checked="" type="checkbox"/> To Borrower <input type="checkbox"/> From Borrower	\$221,431.94

SELLER'S TRANSACTION

M. Due to Seller at Closing		\$0.00
01 Sale Price of Property		\$0.00
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		
13		
14		
15		
16		

N. Due from Seller at Closing		\$0.00
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		
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 (M)		\$0.00
Total Due from Seller at Closing (N)		\$0.00
Cash	<input type="checkbox"/> From <input type="checkbox"/> To Seller	\$0.00

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PAGE 3 OF 5 • LOAN ID # 262613



262613-4801-3-5-320



SAMPLE FORMS – Closing Disclosure (page 4 of 5)

Test Broker, NMLS# 55555, Joey Broker, NMLS# 12345

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 MAIN STREET, Honolulu, HI 96813

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	\$3,750.00	Estimated total amount over year 1 for your escrowed property costs: County Property Taxes - HI
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment	\$625.00	A cushion for the escrow account you pay at closing. See section G on page 2.
Monthly Escrow Payment	\$312.50	The total 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.



SAMPLE FORMS – Closing Disclosure (page 5 of 5)

Test Broker, NMLS# 55555, Joey Broker, NMLS# 12345

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$365,806.91
Finance Charge. The dollar amount the loan will cost you.	\$140,361.91
Amount Financed. The loan amount available after paying your upfront finance charge.	\$223,364.44
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	3.559%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	61.96%

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.

? **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

Contact Information

	Lender	Mortgage Broker	Settlement Agent
Name	Land Home Financial Services, a California	Test Broker	Test
Address	1355 Willow Way, 101, Concord, CA 94520	123 Test, Danville, CA 94526	
NMLS ID	1796	55555	
HI License ID	HI-1796	TestBroker HI Lic	55555
Contact	Account Executive Test	Joey Broker	Test Test
Contact NMLS ID		12345	
Contact License ID			
Email	accountexecutive@lhfs.com	contactbrokerlo@broker.com	test.agent@settlement_agent.com
Phone	(888)888-8888	(111)111-1111	

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.

Krissy Test Date

CLOSING DISCLOSURE
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PAGE 5 OF 5 • LOAN ID #262613

