Land Home FINANCIAL SERVICES, INC.

Your Preferred Wholesale Lender

Disclosure Comparison – Pre-TRID versus Post-TRID

The TILA-RESPA Integrated Disclosures Final Rule (TRID) applies to applications taken on or after **October 3, 2015**.

Pre-TRID	Post-TRID
Loan Application A completed loan application has seven pieces of information: • Applicant's Name • Social Security Number • Loan Amount Sought • Applicant's Income • Property Address • Estimated Property Value • Any Other Information Deemed Necessary By The Lender	Loan Application A completed loan application has seven pieces of information: • Applicant's Name • Social Security Number • Loan Amount Sought • Applicant's Income • Property Address • Estimated Property Value What is different: The *any other information deemed necessary by the lender* piece was removed. After the lender receives the six pieces of information, this triggers the obligation to provide the Loan Estimate within three business days.
Initial Disclosure Forms After the consumer submits an application, the lender must provide an initial Good Faith Estimate and Truth-in-Lending disclosure within three business days.	Initial Disclosure Form After the consumer submitted an application, the lender must provide an initial Loan Estimate within three business days. What is different: The Loan Estimate replaces the initial Good Faith Estimate and Truth-in-Lending disclosure.
Cash to Close An estimate for the cash needed at closing is not shown on the Good Faith Estimate.	Cash to Close The Loan Estimate includes itemized and categorized settlement costs listed alphabetically, and provides an **Estimated Cash to Close** on Page 1 and Page 2. What is different: The Loan Estimate clearly states the estimated amount of cash the applicant needs for closing on the first and second page.
Settlement Charges Settlement charges are bundled on the Good Faith Estimate (notably all origination charges and title/closing charges).	Settlement Charges Settlement charges are itemized on the Loan Estimate, including all origination charges and title/closing charges. What is different: The origination and settlement charges are itemized.
Tolerances Fees paid to unaffiliated third parties for which an applicant cannot shop for fall under the 10% aggregate tolerance category (e.g., appraisals).	Tolerances Fees paid to any unaffiliated third parties for which an applicant cannot shop for fall under the zero tolerance category. Examples include the credit report fee and appraisal fee. What is different: Lenders are held to a higher standard for quoting fees in good faith for services the applicant cannot shop.
Timing – Closing If the APR becomes out of tolerance, a final Truth-in-Lending disclosure must be received at least three business days before closing, and a HUD-1 Settlement Statement can be requested one day before closing.	Timing – Closing The borrower must receive a Closing Disclosure at least three business days before closing. What is different: All transactions covered by TRID require at least a three-day pre-closing waiting period. An additional three-day waiting period is required if the APR increases by .0.125% on a Fixed or 0.25% on an ARM, addition of a Pre-Payment Penalty, or Change in Program.
HUD-1 Preparation The settlement agent is responsible for preparing the final HUD-1.	Closing Disclosure Preparation The lender is responsible for ensuring compliance with the Closing Disclosure. Either the lender or settlement agent may complete the Closing Disclosure. What is different: Lenders may decide to complete the Closing Disclosure, as they are responsible for it and all the TIL disclosures contained therein.
HUD-1 Disclosure The HUD-1 contains bundled settlement charges and only two columns indicating the party who paid the settlement charge.	Closing Disclosure The Closing Disclosure contains itemized settlement charges and five columns indicating who paid the charge and when paid. What is different: The Closing Disclosure is an improved accounting tool and provides better information for lenders to calculate the APR and points and fees limits.