**Important Request for Input from the CFPB to members of state MBA’s**

**Information about the Rule**

The Good Faith Estimate (GFE) and initial Truth-in-Lending (TIL) disclosures have been combined into a new form, the Loan Estimate. Similar to the GFE/TIL forms, the new Loan Estimate form is designed to provide information that will help consumers understand the key features, costs, and risks of the mortgage loans for which they are applying. The new Loan Estimate must be provided to consumers no later than the third business day after consumers submit a loan application. The HUD-1 and final Truth-in-Lending disclosures also have been combined into another new form, the Closing Disclosure, which is designed to provide information that will help consumers understand all of the costs of the transaction. The new Closing Disclosure must be provided to consumers at least three business days before consummation of the loan. The Loan Estimate and the Closing Disclosure were created to be similar in design and format to make it easier for consumers to understand the costs of their transactions and be better able to compare the final costs to those costs that were disclosed to them at the beginning of the process.

The Integrated Mortgage Disclosures rule is not simply combining two sets of disclosures to create the Loan Estimate and Closing Disclosure; it is merging two federal regulations as well.  The rule will affect creditors, settlement agents, and technology and service providers. This will require changes to internal operations and procedures, technology platforms, business strategies, and processes and partnerships with external stakeholders such as title and settlement partners as well as realtors.

The effective date for the new [Integrated Mortgage Disclosures under RESPA/TILA](http://www.consumerfinance.gov/regulations/integrated-mortgage-disclosures-under-the-real-estate-settlement-procedures-act-regulation-x-and-the-truth-in-lending-act-regulation-z/) is August 1, 2015.

**Implementation Support**

The CFPB wants to get the word out to ensure that all creditors know about the implementation support that is available and how to obtain answers to questions on the rule itself.

* Support available:
  + Our [TILA-RESPA Integrated Disclosure rule implementation](http://www.consumerfinance.gov/regulatory-implementation/tila-respa/) resources include videos, guides, and other materials;
  + In partnership with the Federal Reserve, the CFPB conducted a series of [webinars](http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook/outlook-live/2014/TILA-RESPA-Integrated-Disclosures-Rule.cfm) to provide rule overview and address guidance questions and inquiries**;**
  + Supervision and examination materials include a [Readiness Guide](http://www.consumerfinance.gov/f/201409_cfpb_readiness-guide_mortgage-implementation.pdf) which provides guidelines for institutions to evaluate their readiness and help them comply with the mortgage rule changes made through August 1, 2014; and
  + Our [eRegulations](http://www.consumerfinance.gov/eregulations/) site is available to help with referencing the rule and provides a comprehensive resource of the regulatory text with associated commentary in one convenient location.
* Best practices in preparing for creditor implementation:
  1. Read the rule and understand the changes that affect the creditors’ processes.
  2. Develop a plan to get ready for August 1, 2015, implementation, including staff training, process change management, testing of technology updates, review of partner relationships, and how to manage the transition to the new process on August 1.
  3. If creditors still have questions about an interpretation or application of the CFPB’s regulations after contacting their trade association and reviewing the resources available at [Regulatory implementation](http://www.consumerfinance.gov/regulatory-implementation), they can email their specific regulatory inquiry to [CFPB\_reginquiries@cfpb.gov](mailto:CFPB_reginquiries@cfpb.gov)
  4. Reach out to vendors to ensure they are on track to implement the necessary changes: When will they deliver software? What questions do they have? Where are they in implementing changes? What will they do to help with compliance and what do they expect creditors to do?
  5. Plan for how the institution will work with settlement service providers. Creditors will be responsible for the accuracy of disclosures.

**Feedback**

The CFPB invites creditors’ feedback on the Bureau's implementation efforts, including any vendor and settlement service provider issues we should be aware of before the implementation date. In addition, we welcome comments about additional implementation support that may be needed from the CFPB. Please send your comments, concerns, or feedback on implementation to [Jennifer.Stockett@cfpb.gov](mailto:Jennifer.Stockett@cfpb.gov)

Thank you!

Dan Smith

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Consumer Financial Protection Bureau