COLORADO INTER- INDUSTRY

Land Title Association of Colorado

Colorado Mortgage Lenders Association

Colorado Association of Realtors

Colorado Association of Hispanic Real Estate Professionals

Colorado Association of Mortgage Professionals

Colorado Association of Certified Closers

Best Practices

TILA-RESPA Integrated Disclosures

TABLE OF CONTENTS

		Page
I.	Purpose	3
II.	Scope	3
III.	Summary	3
IV.	General Best Practices	5
V.	Best Practices for Real Estate Brokers	6
VI.	Best Practices for the Lending Industry	8
VII.	Best Practices for the Title Industry	10
VIII.	Best Practices for Specific Transaction Types:	12
	A. Stacked Transactions (Contingent Sequential Closings)	12
	B. Mail-Out Closings	14
	C. Refinance Transactions	15
Appendix A – TRID Timeline Calendar		16
Appendix B – Forms		18
	Colorado Closing Statement	19
	Loan Estimate Disclosure Letter	22
	Closing Disclosure Letter	23
	Stacked Transaction Consumer Disclosure	24
	Loan Estimate (Blank Purchase or Refinance)	25
	Closing Disclosure (Blank Purchase or Refinance)	28
Appendix C – Glossary of Terms		33
Appendix D - Links to Information and References		36
Appendix E – TRID Change Comparison Table		38
Appendix F – Versioning		42

TILA-RESPA Integrated Disclosures Rule Best Practices

I. PURPOSE

In December of 2014, the following trade associations formed a joint task force to facilitate industry changes required by the amendments to the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA) in the State of Colorado, effective October 3, 2015: the Land Title Association of Colorado (LTAC), the Colorado Mortgage Lenders Association (CMLA), the Colorado Association of Realtors (CAR), the Association of Hispanic Real Estate Professionals (CAHREP), the Colorado Association of Mortgage Professionals (CoAMP), and the Colorado Association of Certified Closers (CACC). The Colorado Inter-Industry TRID Task Force (CIITTF) seeks to guide its members on best practices to help assure Colorado consumers receive the quality service they are due. This document is published to support the alignment of new requirements under the TILA-RESPA Integrated Disclosures Rule (TRID) across these industries. The goal is to minimize the impact of these broad disclosure and process changes to our members and to make the changes as seamless as possible to our consumers, while satisfying regulatory and statutory requirements established by the Consumer Financial Protection Bureau (the CFPB or the Bureau) under this Rule.

II. SCOPE

These Best Practices are industry trade guidance and are not to be interpreted as legal advice or regulatory mandates. This document is being published for the benefit of our membership and their associates. The adoption of these recommendations does not relieve entities or individuals from being compliant with TRID.

This document is fluid. The CIITTF seeks continual feedback from members, industry partners and consumers, particularly as the Bureau issues additional guidance and clarifications.

III. SUMMARY

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) directed the CFPB to integrate the mortgage loan disclosures under TILA and RESPA Sections 4 and 5. The resulting TILA-RESPA Integrated Disclosures Rule will be implemented for most residential mortgage applications received on or after October 3, 2015. TRID establishes new disclosures and timelines. Attached to this document (as appendices) are additional tools, including a TRID Timeline Calendar, designed to assist everyone to better understand the sequence of events that occur for financed real estate transactions.

Under TRID Communication Becomes Key to Success

TRID **has not** created the need for communication, it has enhanced the value of early, often, relevant and timely communication among the parties! The most critical aspect of achieving the agreed upon timing for any purchase contract is effective, timely communication among all the parties: the lender, the title company, the listing broker, the buyer's broker, the borrower/buyer and the seller.

In a contract with everyone acting in good faith, the parties are motivated to meet the combined needs of the buyer to occupy the property on a date satisfactory to his/her needs and to enable the seller to coordinate an exit that is convenient to the seller's needs.

The primary changes to the process are as follows:

Loan Estimate replaces the Initial Truth in Lending Statement and the Good Faith Estimate

The Loan Estimate (LE) is a 3-page document that combines some of the disclosures that are currently provided in the initial Truth in Lending ("TIL") statement with the disclosures that are currently provided in the RESPA Good Faith Estimate ("GFE"). The form also incorporates other disclosures that are required by the Dodd-Frank Act or are currently provided separately, such as the Total Interest Percentage required by TILA (as amended by the Dodd-Frank Act), the appraisal notice required by the Equal Credit Opportunity Act, and the servicing notice required by RESPA.

Like the initial TIL and GFE, the Loan Estimate must be disclosed within 3 business days of application.

Closing Disclosure replaces the Final Truth in Lending Statement and the HUD-1/1A Settlement Statement

The Closing Disclosure (CD) is a 5-page document that combines the disclosures that are currently provided in the final TIL statement with the disclosures that are currently provided in the RESPA HUD-1 or HUD-1A settlement statement. Like the Loan Estimate, the form also incorporates other disclosures, including the new TILA negative amortization and escrow account notices.

Unlike the final TIL and HUD-1, the Closing Disclosure must be received by the borrower no later than 3 business days prior to consummation (closing). *Please refer to Best Practices for the Lending Industry section VI - 2 for a more detailed explanation.* Prior to TRID's implementation, if a borrower requests a copy of the HUD-1, RESPA requires the form to be provided twenty-four hours prior to closing.

OTHER CHANGES

- The new definition of an "Application" is fulfilled when the Lender receives the submission of ALL 6 pieces of information (which triggers the Lender to make the required LE disclosure):
  - 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.
- The tolerances have been narrowed. All fees for services that the lender requires that the borrower cannot shop for must now go into the Zero Percent category along with Origination Fees (which must be 100 % accurate).
- Re-disclosure of the LE is permitted only if there is a valid "Change of Circumstance." Re-disclosure is still allowed for fees that have changed, however the reset of the affected fees for comparison purposes cannot occur until the difference reaches 10% for the 10% category.
- Once the CD has been issued, no additional LE's can be disclosed for changes.
- Some changes can occur to the CD without triggering a subsequent waiting period (but still require a corrected or updated accurate CD). The CD 3-day clock must start over if **ANY** of the following occurs after the CD is disclosed:
  - APR becomes inaccurate (same as MDIA now);
  - Program (type of loan) changes;
  - Prepayment penalty is added.
- There are additional provisions for corrections post consummation.

IV. GENERAL BEST PRACTICES

1. Inspections and Appraisals – All parties should recognize that inspections, while optional, should generally be scheduled in advance of ordering the appraisal.

2. Ordering appraisals. It is necessary to be realistic in the expectation for appraisal turn times to facilitate the process. Turn times can vary greatly, from a few days to weeks. **[TIP: Listing Brokers, Buyer Brokers and lenders should coordinate who will be the primary contact and number for the appraiser to arrange the inspection and have a backup contact in case the contact is unavailable. Lenders, make sure to communicate to the AMC (Appraisal Management Company or Appraiser) the best and alternative contacts.]**

V. BEST PRACTICES FOR REAL ESTATE BROKERS

Real Estate Brokers should be aware that the TRID Rules represent definitive changes that impact Lenders and will also impact the parties and participants in the real estate transaction. An understanding of the process under TRID will increase the ability of the real estate brokerage community to provide guidance to Buyer and Sellers, set realistic expectations (timelines) and ensure transactions end in a positive result while minimizing risks of unhappy clients or complaints.

1. Establish specific policies and procedures affected by TRID.

2. Brokers should have advance training on the TRID process and understand the impact to their clients, both Buyer and Sellers.

3. Buyers should select Lender(s) that are knowledgeable on the TRID changes.

4. Brokers should communicate with their respective Buyer and Seller regarding the impact of TRID on the Real Estate timelines that can be expected especially during the implementation process. The potential closing time frame can be as much as 45 days compared to the current 30 days.

5. Buyers/borrowers should obtain credit approval (not just prequalification) **prior** to writing a contract. If the buyer/borrower's credit is pre-approved, do not write "Done" or "N/A" in Section 3 ("Dates and Deadlines"), item 11 ("Loan Application") of the Contract to Buy and Sell Real Estate. Instead the recommended best practice is to specify a date two business days later than the date both buyers and sellers have mutually executed the contract.

6. A critical first step before engaging in the offer and acceptance process is to coordinate with the lender <u>in the setting of the milestones</u>. This early, proactive engagement not only helps prevent, or minimize the need for subsequent contract amend/extends, it serves to set realistic timelines and expectations for all parties.

7. Develop guidelines for communicating expectations between Buyers and their selected Lenders. This should include discussions on the timing of the **Loan Estimate**, and **Closing Disclosure** documents. Additionally, Real Estate Brokers should understand the effect of the **Intent to Proceed**. Real Estate Brokers should communicate with their Buyer with regard to the Buyer's receipt, acceptance and return to the Lender, while questions from the Buyer regarding the loan itself should be referred to the Lender to ensure Real Estate Brokers are not practicing Loan Origination.

8. Set an expectation that Real Estate Brokers will contact the Buyer's Lender for guidance on a reasonable closing date under TRID.

9. Buyers should be aware of the Lender's preferred method of contact during the purchase process. E-mailing or uploading to the Lender's secure portal can significantly reduce the time required compared to (snail) mailing documents.

Real Estate Brokers should have their Buyer notify them when the following steps in the mortgage process have happened:

- Buyer has completed and submitted the loan application to the Lender;
- Buyer has received the **Loan Estimate** document;
- Buyer has communicated to the Lender to proceed with the loan; typically an **Intent to Proceed** is submitted by the Buyer to the Lender. The lender cannot collect any fees for appraisals, etc. (except a fee for the credit report) until the Lender receives the Buyer's Intent to Proceed;
- A **Clear to Close** has been received from the lender, indicating that the **Closing Disclosure** may be finalized;
- Buyer has received the Closing Disclosure, is in agreement with the figures presented and has returned the signed Closing Disclosure to the lender. (Currently, Real Estate Brokers may receive this type of information from the Title Company).

10. From the Buyer's perspective, the Loan Objection Deadline should be set to ensure Buyer's earnest money is protected for as reasonable a time frame as the situation allows. Negotiation and circumstances could create situations where the Loan Objection Deadline will be prior to the release of the **Closing Disclosure** especially in the event of multiple offers.

11. Final walkthroughs may result in changes to the **Closing Disclosure**, in the event of a change in property condition, seller credits or appraisal conditions. The final walkthrough should be scheduled at least 7 days prior to closing. Any changes resulting from the walkthrough should be immediately communicated to the lender and the title company. An additional walkthrough may be required to ensure any needed repairs have been satisfactorily completed.

12. Possession dates should be discussed with the Buyer and that the TRID process may necessitate a change in the date of Possession. The Colorado Real Estate Commission has an approved form, **Post Closing Occupancy Agreement,** if the Seller is to remain in possession following Closing. This will be crucial in the event of "stacked" or concurrent closings involving either Buyer or Seller affected by a related purchase (Seller) or sale (Buyer) or their buyer or seller.

13. **Avoid scheduling of same day closing** on stacked transactions. The multiple working components will make same day stacked closings extremely difficult to ensure they occur timely and successfully.

14. Submit amended or extended contracts to the Lender and the title company in a timely manner.

VI. BEST PRACTICES FOR THE LENDING INDUSTRY

1. Establish specific policies and procedures for the regulatory changes.
   - Make the Policies and Procedures (P&Ps) appropriate for your business model and size.
   - Train to these P&Ps, test effectiveness and retrain, continually.
   - Define debated issues, such as, "borrower's submission of information", address, entity's business day, etc.
   - Know what your investors expect and incorporate these guidelines.

2. Provide disclosures, both the Loan Estimate (LE) and the Closing Disclosure (CD), in an E-Signature compliant manner. This will allow the Lender or Originator to truncate waiting periods for the mail delivery rule and the collection of fees (proving borrower's receipt of disclosures and Intent To Proceed). Alternatively, if E-Sign compliant delivery is not available, documents should be delivered to the buyer/borrower using the following methods, as preferred by the Lender, Lender's secondary marketing investors or aggregators:
   - *Method of delivery: Overnight delivery with signed receipt by buyer(s)/borrower(s) (delivery receipt must be signed by buyer(s)/borrower(s), not the receptionist, etc.)*
   - *Method of delivery: Courier with signed receipt by buyer(s)/borrower(s)*
   - *Method of delivery: Face-to-face; in person*
   - *U.S. Mail (Note, if the LE or CD is delivered by any method other than in person, the borrower is presumed to have received them 3 business days after being sent, at which point, the 3-day wait period begins.)*

3. Mail a hard copy of disclosures as a back-up on all transactions and/or as a back-up for failed e-delivery.

4. The electronic delivery process must be monitored in case paper fulfillment is required when the lender is not mailing a hard copy as a back-up.

5. Request real estate and final settlement figures from the title/settlement company at least:
   a. 7 business days prior to Closing if CD is to be delivered using the mail rule; or
   b. 5 days prior to Closing if delivered with proof of receipt sufficient to truncate the mail rule.
   c. If the Lender will provide the Closing Disclosure, the Lender must obtain the real estate figures from the title company in time to prepare and deliver the Closing Disclosure **3 business days** prior to Closing.

6. Establish a closing help desk, hotline or designated email response group. If the Lender provides the Closing Disclosure, the Lender should have someone available to make adjustments on the day of Closing, providing the adjustments do not trigger a new three-day waiting period.

7. Provide an explanation of terms to the consumer (Buyer/Borrower) along with the LE and the CD. See examples of cover letters in *Appendix C - Forms*.

8. Require the Buyer/Borrower to lock the interest rate at least 10 days prior to Closing. This should allow for final loan approval at the correct interest rate, payment/ratios and pricing.

9. Offer a one-on-one phone consultation with the Borrower to cover the Closing Disclosure 3 days prior to Closing. (This means whoever explains the document to the Borrower must be versed in all aspects of the transaction from contract to settlement, i.e. including tax, water pro-rations, etc.)

10. Provide a summary of the transaction process to the Buyer/Borrower set proper Borrower expectation:

- Counsel the Borrower to promptly respond to you.
- Counsel the Borrower to consent to receive communications from their Lender via e-mail and/or secure delivery, if possible, as early as possible in the application process.
- Counsel the Borrower to open, confirm receipt and review communications, including e-mails, from the Lender, as quickly as possible.
- Counsel the Borrower to get credit approved for a loan prior to shopping for a home.
- Counsel the Borrower on events or changes they make may trigger additional waiting periods and delays in the Closing.

11. Re-disclose the LE for all Buyer/Borrower requested changes and lock events, as these matters are considered valid "Change of Circumstances" under TRID.

12. It is imperative that the Borrower understands that requested changes or underwriting decisions made late in the transaction can cause delays in their Closing, if the three day waiting period must be reset.

12. Always obtain the title company's Settlement Statement and retain in the loan file.

13. If there are adjustments to the Lender's or the Owner's title insurance coverage, this will change the closing figures and amounts. Obtain accurate Buyer/Borrower and Seller charges. The Settlement Statement will help to document how and why the adjustments were made on the LE and CD.

14. Communicate to your Real Estate Broker partners that due to the more stringent definition of an "application" under TRID, an address should not appear on a pre-qualification or pre-approval letter. Full disclosure by the Lender will most likely be triggered if the address has been identified, when in fact the buyer/borrower is still shopping for a home.

VII. BEST PRACTICES FOR THE TITLE INDUSTRY

1. The Colorado Real Estate Commission approved Closing Statement is the form required when Real Estate Brokers are involved in a sale, and will be looked at for accuracy and compliance by the Division of Insurance. The ALTA Form is not currently approved for use by the Colorado Real Estate Commission.

2. Timelines for processing and preparation of the file will be critical for Title Insurance companies or agents (Title). Files should be prepared for closing 10 (ten) days prior to the closing date set forth in the contract.

3. At the time Title receives the contract:
   - Verify receipt of the fully executed contract including any Counter Proposals and Agreements to Amend/Extend, order the Title Insurance Commitment.
   - Send out e-signature consent forms to both parties (if applicable)
   - Verify all Homeowners Association (HOA) information and order Association Document (CIC) if requested.
   - Request contact information for the Lender, Buyer, Seller and Real Estate Brokers.
   - Communication should be made at the beginning of the transaction with the Lender to determine the timeline for Title and Lender to exchange closing costs and fees required to complete the CD and verify the process for delivering the CD.

4. Four (4) weeks prior to Closing:
   - Obtain Lender information if that has not yet been supplied and contact information as above.
   - Obtain Seller's payoff information and discuss any requirements that are not standard.
   - Homeowners Association (HOA) Status Letter may be ordered at this time if the HOA requires two weeks or more to process the request. To assure the Status Letter is received in time to permit the preparation for the closing and CD, make the request at least 14 days before the date the status letter is needed. Under Colorado Law (CCIOA 38-33.3-316 (8), C.R.S.), the HOA must supply the status letter no later than 14 days after the HOA's receipt of the written request for the Status Letter.

5. Three (3) weeks prior to closing:
   - Request from the Real Estate Broker all Amend/Extends to the Contract and any Inspection Resolutions.
   - Schedule the Closing time and location with the Real Estate Broker. Communicate this to the Lender.
   - Order Seller payoffs, Homeowner Association Status Letter and all other required items to clear title.

6. Two (2) weeks prior to closing:
   - Prepare or pre-type the file with all initial settlement figures. Send the Lender figures including the Seller's figures.

- Send estimated seller statement to the listing agent. Send estimated Buyer settlement statement to Buyers agent.
- Send to Buyer agent the Warranty Deed, Bill of Sale, Real Property Transfer Declaration (TD-1000) and estimated Buyer's Closing Statement.

7. Ten (10) days prior to closing:
   - Receive the Lender's Closing Instructions.
     - Verify the number of pages for recordation to calculate the recording fees, obtain a copy of Deed of Trust (DOT) to proof read.
   - Update the Lender on any document or recording fee changes.
   - Approve CD and provide CD to Lender or, if Lender is preparing the CD, receive CD, approve and balance with lender.

8. One (1) week prior to closing:
   - When the CD is approved, send Buyer's final Closing Statement to both Real Estate Brokers.
   - Send out Seller's disclosure and Closing Statement to the Listing Broker.

9. Six (6) days prior to closing:
   - Delivery of CD via mail to the Buyer by Lender or Title, if requested
   - Send notification of delivery to all parties.

10. Three (3) days prior to closing:
    - Delivery of CD via electronic delivery to the Buyer by Lender or Title, if requested
    - Send notification of delivery to all parties and the Real Estate Brokers.
    - Send notification of receipt to all parties and the Real Estate Brokers.
    - If there are any changes from Title or the Settlement Agent, send to Lender to add to CD.
    - Request loan document / closing package from Lender.

11. **CLOSING DAY - CLOSE!!!**

VIII. BEST PRACTICES FOR SPECIFIC TRANSACTION TYPES:

The following subsections describe additional best practices that may be employed to ensure successful consummations of transactions that include these circumstances.

A. Stacked Transactions (Contingent Sequential Closings)
B. Mail-out Closings
C. Refinance Transactions

A. STACKED TRANSACTIONS (CONTINGENT SEQUENTIAL CLOSINGS)

Background:

It has been estimated that in Colorado residential real estate transactions at this point in time, **as many as 50%** of all closings fall into this **stacked or domino** category with the average length of the chain of stacked closings approaching three to four deals per chain. These types of mutually dependent transactions are also sometimes referred to as back-to-back closings or chain closings. It is very important to realize that all stacked transaction chains are individualized, but each transaction is mutually dependent on the other transactions in the chain and it is very important that Buyers and Sellers be aware of what level of risk they are willing to accept when entering into a mutually dependent stacked or domino closing chain.

Real Estate Industry Best Practices – Stacked Closings:

1. If a transaction is contingent on the sale of another property, Section 10.7 of the *Colorado Contract to Buy and Sell Real Estate* should be completed, disclosing that the transaction is contingent on the sale of another property.

Note: If the Contract expressly provides that the sale is contingent on the sale (and Closing) of another property, the remainder of these suggested best practices may be disregarded.

2. If the Contract is not contingent on the sale of another property by using Section 10.7, or otherwise, allow **at least one day between closings** in stacked transactions. (Do not schedule stacked transactions to close on the same day unless you use Section 10.7 to make the sale contingent on another Closing).

3. *Sellers Perspective*. Ideally, stacked closings should allow ample time after Closing before the Seller is required to relinquish possession to the Buyer. The use of a post-closing occupancy agreement in such circumstances is strongly recommended. The Colorado Real Estate Commission has an approved form entitled Post-Closing Occupancy Agreement.

4. Communication between Real Estate Brokers, Lenders and Title Companies is especially important in stacked transactions.

5. When a Real Estate Broker prepares a Contract it should reflect dates and deadlines that are reasonable in light of TRID and the particular Lender. Making a 45-day contract-to-closing duration is particularly important in stacked transactions.

6. Buyers and Sellers need to be aware of additional risks they could face as a result of being part of a chain of closings, i.e. loss of earnest money, loss of a place to live (because an event happens that the home sold by the Seller closes, but the Closing on the replacement home to be purchased by the Seller (or remote home Closing) is delayed or doesn't close. *See Appendix B- Forms for a sample disclosure*.

Lending Industry Best Practices – Stacked Closings

1. The Mortgage Loan Originator/Mortgage Broker should obtain the express written permission of the Buyer/Borrower to share loan status information with other interested parties (and brokers, title, etc.) in the stacked transaction chain, without disclosing "personal" or private non-public information. Alternatively, Borrowers themselves can share the non-public loan status information with other interested parties in stacked transactions.

2. The Lender should communicate the date and method of delivery of the CD to the Buyer and its receipt by the Buyer to other interested parties and participants in the transaction chain. Again, privacy laws must be adhered to. The Lender may want to add language to the borrower's certification and authorization form to permit the sharing of information.

Language example: *Additionally, I/We hereby authorize _____ and other settlement service providers engaged in this transaction to provide information deemed necessary to the Real Estate Brokers, authorized agents and settlement service providers engaged in this transaction and related transactions, regarding the status of the loan application including but not limited to general approval status, receipt of appraisal, issuance and receipt of the Closing Disclosure and _____, as this information pertains to obtaining the mortgage financing required to complete this purchase transaction.*

Title Industry Best Practices – Stacked Closings:

1. The Title Company should communicate regularly with the *Real Estate Brokers* and Lenders associated with the transactions and provide file status information.

- NOTE: The Title Company will communicate with the parties directly related to the transaction they are closing. File status communication will be made to the Listing Broker, Buyer's Broker and Lender. Communications of file related details to other interested parties in stacked transactions will not be relayed directly to the parties by the title company but through the respective Real Estate Brokers and Lenders.

B. MAIL-OUT CLOSINGS

Background:

- All time frames begin with **Consummation**. Consummation is defined as the date that the borrower becomes obligated on the loan (use the date the Buyer or borrower signs the note at or before Closing). Typically, in such instances, the note will be dated prior to the physical Closing, but interest will not begin to accrue on the loan until disbursed (again typically on the date of the physical closing).
- On a mail out closing, the package must be sent to the borrower for signature in time for the note to be signed and returned prior to the physical Closing taking place.

General Best Practice for All Industries – Mail-out Closings:

1. Persons doing mail out closings must be sure that the Borrower receives the **CD 3 business days prior** to consummation (the actual date the Note is signed, not the date of the Closing).

2. Note to Title Companies: The TRID Rule requires the seller to receive the Sellers Closing Disclosure on or before consummation. Therefore on a mail out closing the Seller must receive their Closing Disclosure by the same date that the borrower signs the promissory note. On a mail out closing this will typically happen the day before the physical closing.

Example:

- An example of mail out Closing dates (working backwards from the physical Closing date):
  - Physical **Closing Date**: Wednesday, November 25, 2015
  - **Date Note** and other loan documents **signed** by Buyer or borrower: Tuesday, November 24, 2015 (to allow time for overnight return to the physical closing). Note: Seller must receive the Seller's CD on this same date.
  - Date Buyer or borrower **must receive CD** no later than: Friday, November 20, 2015.

  Depending on the method of delivery of the loan disclosure it must be ***sent no later than***:

    - If **delivered in person or by courier** with *borrower acknowledging* ***same day receipt*** *when received*: Friday, November 20, 2015
    - If delivered by **overnight delivery** with *borrower acknowledging receipt when received*: Send by Thursday, November 19, 2015
    - If delivered by **E-Sign Compliant Electronic Delivery** Process: Send by Friday, November 20, 2015 *with* ***Buyer or borrower acknowledging receip****t when received on the 20th*.
    - If delivered by Mail: Send by Tuesday, November 17th. **(No receipt required)**.

C. REFINANCE TRANSACTIONS

1. Refinance transactions are covered by the TRID rule and all of the recommended best practices set forth in this document for the Lending and Title Industries apply.

2. Lenders should be aware that in a refinance transaction you will already have the property address on file and as such, you may receive the 6 items required to trigger the issuance of a Loan Estimate more easily than in a purchase transaction.

3. The TRID rule requires that in refinance transactions all borrowers who sign the note and all individuals who have an ownership interest in the property, all of whom have a right to rescind, must receive the Closing Disclosure 3 business days prior to consummation. Note: This is different than a purchase transaction where only the primary obligor is required to receive the CD 3 business days prior to consummation.

APPENDIX A – TRID TIMELINE CALENDAR

The following calendar combines Colorado Real Estate Contract deadlines, the new TRID deadlines, and title insurance deadlines in hopes to paint a picture of what transactions may typically look like after the effective date.

This timeline example does not directly address what might cause the 3-day pre-consummation CD disclosure period to be extended, but as you consider the calendar you may want to assume that during the first 90 to 180 days after closings begin on loan applications dated 10/3/2015 or later; there are likely to be more instances of delays caused by administrative errors than there will be later in 2016 after the industry partners; title, real estate, and lending sources assimilate the change.

Loan Objection Deadline – The Loan Objection Deadline generally represents the last date on which the buyer may terminate the purchase agreement (Contract) and protect earnest money. From a Buyer's perspective, this deadline should be no earlier than the expected receipt of the Clear to Close. Agreeing on the Loan Objection Deadline date has historically created a conflict. Generally, the Buyer's Broker and the Lender would prefer the Loan Objection Deadline to be as close to the Closing date as possible. This facilitates the greatest amount of time to insure all loan conditions have been cleared. However, it is in the Seller's best interest to have this provision as early in the process as possible in order to be more assured of a timely closing.

The TRID workflow amplifies this conflict. The management of this conflict will require all parties to consider the compromise necessary to achieve the real objective, which is to timely close.

It is critically important during the first three to six months of TRID that everyone adjusts their paradigm and consider the importance of communication and setting expectations to minimize the inconvenience of delays. The calendar represents the task force's assessment of realistic event timing that can be used by real estate professionals, loan originators, lenders, and title staff to establish realistic milestones and closing dates. While each transaction will bring its own unique requirements to scheduling and consummation, the task force hopes this and other attachments will assist in planning events in such a way as to minimize delays or surprises.

October 2015 - TRID TIMELINES

Revised 7-23-15

REALTOR LENDER TITLE / SETTLEMENT	Saturday = non-business day	LE = Loan Estimate CD = Closing Disclosure	Please refer to the Glossary within this TRID Best Practices document for a definition of other abbreviations used.			Saturday 10/3/15 TRID EFFECTIVE DATE FOR ALL NEW APPLICATIONS
Sunday 10/4/15	Monday 10/5/15	Tuesday 10/6/15	Wednesday 10/7/15	Thursday 10/8/15	Friday 10/9/15	Saturday 10/10/15
Offer submitted	Contract accepted Loan application made Contract delivered to Title	Inspection ordered LE / disclosures delivered via eDelivery Loan processing begins	Earnest money delivered	Seller's disclosure delivered LE / disclosures delivered via mail, if necessary (1) (1) last day to mail		
Sunday 10/11/15	Monday 10/12/15	Tuesday 10/13/15	Wednesday 10/14/15	Thursday 10/15/15	Friday 10/16/15	Saturday 10/17/15
	Columbus Day		LE - receipt assumed Intent to proceed received, allowing money to be collected for appraisal	CIC done / inspection done Title commitment due		
Sunday 10/18/15	Monday 10/19/15	Tuesday 10/20/15	Wednesday 10/21/15	Thursday 10/22/15	Friday 10/23/15	Saturday 10/24/15
	Title objections delivered Intent to Proceed received (latest day), allowing money to be collected for appraisal Off record title	Inspection resolution / off record objections made Appraisal ordered (2) (2) Appraisal may be ordered earlier, upon receipt of Intent to Proceed and payment		Title and off record objections resolved Survey due		
Sunday 10/25/15	Monday 10/26/15	Tuesday 10/27/15	Wednesday 10/28/15	Thursday 10/29/15	Friday 10/30/15	Saturday 10/31/15
	Survey objection	Survey resolution			Appraisal received Submit loan file to Underwriting (3) (3) Credit package may have been submitted for approval prior to receipt of the appraisal	

November 2015

REALTOR LENDER TITLE / SETTLEMENT	Saturday = non-business day	LE = Loan Estimate CD = Closing Disclosure	Please refer to the Glossary within this TRID Best Practices document for a definition of other abbreviations used.			Saturday 10/3/15 TRID EFFECTIVE DATE FOR ALL NEW APPLICATIONS
Sunday 11/1/15	Monday 11/2/15	Tuesday 11/3/15	Wednesday 11/4/15	Thursday 11/5/15	Friday 11/6/15	Saturday 11/7/15
			Appraisal objection deadline Conditional underwriting approval rendered		Conditions received	
Sunday 11/8/15	Monday 11/9/15	Tuesday 11/10/15	Wednesday 11/11/15	Thursday 11/12/15	Friday 11/13/15	Saturday 11/14/15
	Conditions submitted to underwriting		Veterans Day	Loan approved (4) File sent to closing (4) aka Loan Commitment	Loan objection date (5) CD sent by mail delivery Collaborate with lender (5) Negotiated between buyer and seller	SATURDAY COUNTS FOR THE CD
Sunday 11/15/15	Monday 11/16/15	Tuesday 11/17/15	Wednesday 11/18/15	Thursday 11/19/15	Friday 11/20/15	Saturday 11/21/15
					Contract closing date Contract closing date Contract closing date	
Sunday 11/22/15	Monday 11/23/15	Tuesday 11/24/15	Wednesday 11/25/15	Thursday 11/26/15	Friday 11/27/15	Saturday 11/28/15
Sunday 11/29/15	Monday 11/30/15	Scenario: This calendar equates to a 45 day contract, which includes a potential 10 day cushion. If the inspection and appraisal can be completed sooner, the timeline will result in a 35 day contract. Note that this scenario does not include any potential change of circumstance issues or other unforeseen delays.				

APPENDIX B - FORMS

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (SS60-9-08) (Mandatory 1-09)

☐ ESTIMATE	☐ FINAL

CLOSING STATEMENT

☐ SELLER'S ☐ BUYER'S

PROPERTY ADDRESS _____

SELLER _____ BUYER _____

SETTLEMENT DATE _____ DATE OF PRORATION _____

LEGAL DESCRIPTION:

	DEBITS	CREDITS
1. Purchase Price		
2. Deposit (Earnest Money) Paid to		
3. Principal amount of new 1st Loan Payable to		
4. Principal amount of new 2nd Loan Payable to		
5. 1st Loan Payoff to		
6. 2nd Loan Payoff to		
7. Taxes for Preceding Year(s)		
8. Taxes for Current Year		
9. Personal Property Taxes		
10. Transaction Fee		
11. Loan Origination Fee		
12. Loan Discount Fee		
13. Appraisal Fee		
14. Appraisal Fee		
15. Loan Processing Fee		
16. Tax Service Fee		
17. Flood Certification		
18. Loan Document Preparation Fee		
19. Loan Underwriting Fee		
20. Interest on New Loan		
21. Mortgage Insurance Premium/PMI		
22. Premium for new Hazard Insurance		
23. Reserves Deposited With Lender		
23 a. Hazard Insurance Reserve		
23 b. Mortgage Insurance Reserve		
23 c. County Property Tax Reserve		
24. Aggregate Adjustment		
25. Real Estate Closing Fee		

26. Loan Closing Fee		
27. Title Insurance Premium – Owner's		
28. Owner's Extended Coverage		
29. Title Insurance Premium – Lender's Policy		
30. Endorsements:		
31. Certificate of Taxes Due		
32. Overnight Delivery Fee		
33. E-Doc Fee (Loan)		
34. Release Facilitation Fee		
35. Cashier's Check/Wire Fee		
36. Recording:		
36 a. Warranty Deed		
36 b. Deed of Trust		
36 c. Release		
36 d. Other		
37. Survey		
38. Documentary Fee		
39. Transfer Fee		
40. Sales and Use Tax		
41. HOA – CIC Document Procurement Fee		
42. HOA Transfer/Status Letter Fee		
43. HOA Dues		
44. HOA Working Capital		
45. Water and/or Sewer Escrow		
46. Homeowner Warranty		
47. 2% Colorado Withholding		
48. Foreign Investment in Real Property Tax Act (FIRPTA) – 10%		
49. Propane/Fuel Oil Proration		
50. Rents/Rent Proration		
51. Security Deposits		
52. Seller Concessions:		
53. Broker's Fee		
54. Other:		
Subtotals		
Balance due to/from Seller		
Balance due to/from Buyer		
TOTALS		

APPROVED AND ACCEPTED

Buyer/Seller _____ Buyer/Seller _____

Brokerage Firm's Name: _____

_____
Broker

Loan Estimate Disclosure Letter

Date: 10/03/2015 Loan Number _____

Subject: Information concerning your Loan Estimate

To: _____
_____

Enclosed you will find a Loan Estimate for your recent mortgage loan application taken by _____.

About Your Loan Estimate
The enclosed disclosure includes information about your loan such as the loan amount, interest rate, monthly principal and interest payment amounts, any prepayment penalties, any special loan features and a projected payments table to help you understand how monthly payments might fluctuate, depending on your loan product. The disclosure contains a section listing good faith estimates of expected costs at closing, including cash needed to close. The disclosure also contains miscellaneous information you can use for comparison such as the total payments in the first 5 years, the Annual Percentage Rate (APR) and the Total Interest Percentage (TIP). All of this information is based on the terms of the mortgage for which you are applying. Finally, the disclosure places several federally mandated disclosures in one convenient place, as Other Considerations.

We suggest you carefully review your Loan Estimate right away. The explanations noted below will help you better understand some of the information included in that document.

- **In 5 Years** – The first figure is the total amount you will pay, after making all scheduled payments, over the first five years of your mortgage. The second figure is the estimated amount of principal you will have paid off of your mortgage, after five years of scheduled payments.
- **Annual Percentage Rate (APR)** – The APR, which may be higher than your interest rate, reflects the annualized cost of your mortgage over the repayment period and includes all financing costs, whether paid at closing or over the term of your mortgage.
- **Total Interest Percentage (TIP)** – The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Important Note
We are required to provide you with the Loan Estimate within 3 business days of receiving your application, at least 7 business days prior to your closing and whenever significant changes are made to certain terms of the loan. So, to help avoid a delay of closing, please contact us immediately if you have any questions about the information included on the enclosed disclosure.

In addition, Federal Law prohibits Mortgage Brokers and/or Lenders from collecting fees, other than for the credit report, prior to you receiving the Loan Estimate and indicating an intent to proceed with the transaction. This is not a loan commitment. If you have any questions about your Loan Estimate or your upcoming closing, please contact me immediately.

_____ _____
Mortgage Loan Originator Mortgage Loan Originator NMLS No.

Closing Disclosure Letter

Date: 10/03/2015 Loan Number _____

Subject: Information concerning your Closing Disclosure

To: _____
_____

Enclosed you will find the Closing Disclosure for your impending mortgage loan settlement.

About Your Closing Disclosure
This disclosure reflects the actual terms of your transaction and includes finalized information about your loan amount, interest rate, monthly principal and interest payment amounts, any prepayment penalties, any special loan features and a projected payments table to help you understand how monthly payments might fluctuate, depending on your loan product. The section, Cash to Close, shows the amount of funds you must provide for closing. The sections entitled "Loan Costs" and Other Costs" detail the actual costs and fees for your transaction. The disclosure also contains additional summary and miscellaneous information about your transaction. Page 5 contains important Loan Calculations such as the Total of Payments, the Finance Charge, the Amount Financed, the Annual Percentage Rate (APR) and the Total Interest Percentage (TIP). All of this information is based on the terms of your mortgage loan.

We suggest you carefully review your Closing Disclosure right away in preparation for your scheduled closing. The explanations noted below will help you better understand some of the information included in that document.

- **Total of Payments** – This is the total amount you will pay, making all scheduled payments of principal, interest, mortgage insurance and loan costs over the life of your mortgage.
- **Finance Charge** – This amount represents all costs you'll incur for the Amount Financed (credit provided to you). Those costs include the total amount of interest to be paid over your mortgage term and all other mortgage charges you pay, including such charges as the origination fee, discount points, mortgage insurance, VA funding fee (if applicable) and other applicable charges. (Please note: If any of these charges are paid by the seller, lender or any party other than you, they will not be included in the Finance Charge.)
- **Amount Financed** – This is the amount of credit actually provided to you, which is your Mortgage Amount minus the Finance Charges paid at closing (known as "prepaid finance charges"). This is why your Mortgage Amount is different from your Amount Financed.
- **Annual Percentage Rate (APR)** – The APR, which may be higher than your interest rate, reflects the annualized cost of your mortgage over the repayment period and includes all financing costs, whether paid at closing or over the term of your mortgage.
- **Total Interest Percentage (TIP)** – The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Important Note
We are required to deliver your Closing Disclosure at least 3 business days prior to your closing. This timing requirement also includes whenever significant changes are made to certain terms of the loan and you receive a revised Closing Disclosure, as a result. So, to help avoid a delay in closing, please contact us immediately if you have any questions about the information included on the enclosed disclosure.

If you have any questions about your Closing Disclosure or your upcoming closing, please contact me immediately.

_____ _____
Mortgage Loan Originator Mortgage Loan Originator NMLS No.

Stacked Transaction Consumer Disclosure

Purpose: This writing is offered as an information piece to make consumers aware, whether Buyers or Sellers, of issues that they may face when they enter "stacked" or "domino" transactions. These terms refer to situations such as where "A" is selling a home to "B", and "A" is then buying a home from "C", who may, in turn, be buying from D, and so forth. It may well be that the ultimate sale to "D" depends on the successful closing of the two prior transactions. In other words, although the transactions may seem distinct and unrelated, they are in reality dependent upon each other in some real way that can bring significant consequences to the participants.

These "stacked" transactions can involve both complexity and risk. For example, if "A" needs the proceeds from the sale to "B" in order to close with "C", a delay in "B" coming to closing, to say nothing of a failure of "B" to close, could result in a default by "A" under his contract with "C".

Sellers and Buyers, before entering into such a "stacked" or "domino" transaction need to have a serious and informed discussion with their real estate advisors about the nature and extent of the risks they might encounter. These topics include, but are not limited to, the following:

- Is there a way to manage the risks of one of the transactions in the sequence not Closing (or not timely Closing as scheduled), thereby affecting the other inter-related transactions?

- Is there a way to make one transaction contingent upon the timely successful Closing of the other(s)?

- Is it likely that a Seller, in this competitive marketplace, would accept an offer with a sale contingency?

- If the Seller would not entertain a contingent offer, are there other options a Buyer might pursue which would allow for the sale of the first property, to assure the purchase of the next one?

Each of the above questions could have multiple answers depending upon the specific facts and circumstances pertaining to the parties' individual situation. With this in mind, whether a Seller or a Buyer, the best practice would be to seek out the advice and guidance of a seasoned professional who is able to help navigate a path through the "stacked" or dependent transaction. Unfortunately, there is no one-size-fits-all approach to these situations.

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED
APPLICANTS

PROPERTY
SALE PRICE

LOAN TERM
PURPOSE
PRODUCT
LOAN TYPE ☐ Conventional ☐ FHA ☐ VA ☐ _____
LOAN ID #
RATE LOCK ☐ NO ☐ YES, until

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on

Loan Terms		**Can this amount increase after closing?**
Loan Amount		
Interest Rate		
Monthly Principal & Interest *See Projected Payments below for your Estimated Total Monthly Payment*		
		Does the loan have these features?
Prepayment Penalty		
Balloon Payment		

Projected Payments		
Payment Calculation		
Principal & Interest Mortgage Insurance Estimated Escrow *Amount can increase over time*		
Estimated Total Monthly Payment		
Estimated Taxes, Insurance & Assessments *Amount can increase over time*	**This estimate includes** ☐ Property Taxes ☐ Homeowner's Insurance ☐ Other: *See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.*	**In escrow?**

Costs at Closing	
Estimated Closing Costs	Includes in Loan Costs + in Other Costs – in Lender Credits. *See page 2 for details.*
Estimated Cash to Close	Includes Closing Costs. *See Calculating Cash to Close on page 2 for details.*

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

Closing Cost Details

Loan Costs

A. Origination Charges

% of Loan Amount (Points)

B. Services You Cannot Shop For

C. Services You Can Shop For

D. TOTAL LOAN COSTS (A + B + C)

Other Costs

E. Taxes and Other Government Fees

Recording Fees and Other Taxes
Transfer Taxes

F. Prepaids

Homeowner's Insurance Premium (months)
Mortgage Insurance Premium (months)
Prepaid Interest (per day for days @)
Property Taxes (months)

G. Initial Escrow Payment at Closing

Homeowner's Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

H. Other

I. TOTAL OTHER COSTS (E + F + G + H)

J. TOTAL CLOSING COSTS

D + I
Lender Credits

Calculating Cash to Close

Total Closing Costs (J)
Closing Costs Financed (Paid from your Loan Amount)
Down Payment/Funds from Borrower
Deposit
Funds for Borrower
Seller Credits
Adjustments and Other Credits

Estimated Cash to Close

Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
Monthly Principal and Interest Payments	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

Adjustable Interest Rate (AIR) Table

Index + Margin
Initial Interest Rate
Minimum/Maximum Interest Rate
Change Frequency
First Change
Subsequent Changes
Limits on Interest Rate Changes
First Change
Subsequent Changes

Additional Information About This Loan

LENDER	MORTGAGE BROKER
NMLS/___ LICENSE ID	NMLS/___ LICENSE ID
LOAN OFFICER	LOAN OFFICER
NMLS/___ LICENSE ID	NMLS/___ LICENSE ID
EMAIL	EMAIL
PHONE	PHONE

Comparisons	**Use these measures to compare this loan with other loans.**
In 5 Years	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	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 ___ days late, we will charge a late fee of _____

Loan Acceptance

You do not have to accept this loan because you have received this form or signed a loan application.

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.

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	**Borrower**	**Loan Term**
Closing Date		**Purpose**
Disbursement Date		**Product**
Settlement Agent	**Seller**	
File #		**Loan Type** ☐ Conventional ☐ FHA ☐ VA ☐ _____
Property		
	Lender	**Loan ID #**
Sale Price		**MIC #**

Loan Terms		**Can this amount increase after closing?**
Loan Amount		
Interest Rate		
Monthly Principal & Interest *See Projected Payments below for your Estimated Total Monthly Payment*		
		Does the loan have these features?
Prepayment Penalty		
Balloon Payment		

Projected Payments		
Payment Calculation		
Principal & Interest		
Mortgage Insurance		
Estimated Escrow *Amount can increase over time*		
Estimated Total Monthly Payment		
Estimated Taxes, Insurance & Assessments *Amount can increase over time* *See page 4 for details*	**This estimate includes** ☐ Property Taxes ☐ Homeowner's Insurance ☐ Other: *See Escrow Account on page 4 for details. You must pay for other property costs separately.*	**In escrow?**

Costs at Closing	
Closing Costs	Includes in Loan Costs + in Other Costs – in Lender Credits. *See page 2 for details.*
Cash to Close	Includes Closing Costs. *See Calculating Cash to Close on page 3 for details.*

Closing Cost Details

Loan Costs	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid by Others
A. Origination Charges					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)					
Loan Costs Subtotals (A + B + C)					

Other Costs					
E. Taxes and Other Government Fees					
01 Recording Fees Deed: Mortgage:					
02					
F. Prepaids					
01 Homeowner's Insurance Premium (mo.)					
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (per day from to)					
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing					
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					
H. Other					
01					
02					
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)					
Other Costs Subtotals (E + F + G + H)					

J. TOTAL CLOSING COSTS (Borrower-Paid)					
Closing Costs Subtotals (D + I)					
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)			
Closing Costs Paid Before Closing			
Closing Costs Financed (Paid from your Loan Amount)			
Down Payment/Funds from Borrower			
Deposit			
Funds for Borrower			
Seller Credits			
Adjustments and Other Credits			
Cash to Close			

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION			SELLER'S TRANSACTION		
K. Due from Borrower at Closing			**M. Due to Seller at Closing**		
01 Sale Price of Property			01 Sale Price of Property		
02 Sale Price of Any Personal Property Included in Sale			02 Sale Price of Any Personal Property Included in Sale		
03 Closing Costs Paid at Closing (J)			03		
04			04		
Adjustments			05		
05			06		
06			07		
07			08		
Adjustments for Items Paid by Seller in Advance			**Adjustments for Items Paid by Seller in Advance**		
08	City/Town Taxes	to	09	City/Town Taxes	to
09	County Taxes	to	10	County Taxes	to
10	Assessments	to	11	Assessments	to
11			12		
12			13		
13			14		
14			15		
15			16		
L. Paid Already by or on Behalf of Borrower at Closing			**N. Due from Seller at Closing**		
01 Deposit			01 Excess Deposit		
02 Loan Amount			02 Closing Costs Paid at Closing (J)		
03 Existing Loan(s) Assumed or Taken Subject to			03 Existing Loan(s) Assumed or Taken Subject to		
04			04 Payoff of First Mortgage Loan		
05 Seller Credit			05 Payoff of Second Mortgage Loan		
Other Credits			06		
06			07		
07			08 Seller Credit		
Adjustments			09		
08			10		
09			11		
10			12		
11			13		
Adjustments for Items Unpaid by Seller			**Adjustments for Items Unpaid by Seller**		
12	City/Town Taxes	to	14	City/Town Taxes	to
13	County Taxes	to	15	County Taxes	to
14	Assessments	to	16	Assessments	to
15			17		
16			18		
17			19		
CALCULATION			**CALCULATION**		
Total Due from Borrower at Closing (K)			Total Due to Seller at Closing (M)		
Total Paid Already by or on Behalf of Borrower at Closing (L)			Total Due from Seller at Closing (N)		
Cash to Close ☐ From ☐ To Borrower			**Cash ☐ From ☐ To Seller**		

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 ___ days late, your lender will charge a late fee of _____

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 _____

_____

_____

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		Estimated total amount over year 1 for your escrowed property costs:
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		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment		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.

Adjustable Payment (AP) Table

Interest Only Payments?	
Optional Payments?	
Step Payments?	
Seasonal Payments?	
Monthly Principal and Interest Payments	
First Change/Amount	
Subsequent Changes	
Maximum Payment	

Adjustable Interest Rate (AIR) Table

Index + Margin
Initial Interest Rate
Minimum/Maximum Interest Rate
Change Frequency
First Change
Subsequent Changes
Limits on Interest Rate Changes
First Change
Subsequent Changes

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.	
Finance Charge. The dollar amount the loan will cost you.	
Amount Financed. The loan amount available after paying your upfront finance charge.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	

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**

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.

Loan Acceptance
You do not have to accept this loan because you have received this form or signed a loan application.

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
Name					
Address					
NMLS ID					
___ License ID					
Contact					
Contact NMLS ID					
Contact ___ License ID					
Email					
Phone					

APPENDIX C – GLOSSARY OF TERMS

Application – the submission of a consumer's financial information for purposes of obtaining an extension of credit. For transactions subject to § 1026.19(e), (f), or (g), an application consists of the submission of the following six pieces of information: 1. the consumer's name; 2. the consumer's income; 3. the consumer's social security number to obtain a credit report; 4. the property address; 5. an estimate of the value of the property; and 6. the mortgage loan amount sought. An application may be submitted in written or electronic format, and includes a written record of an oral application.

The "Application" is important because it establishes the starting point for the delivery time requirements of loan disclosures and even the earliest day a loan may be closed or consummated.

Best Practice - a technique or methodology that, through experience and/or research, that will reliably lead to a desired result.

Business Day - a day on which the creditor's offices are open to the public for carrying on substantially all of its business functions. However, for purposes of rescission under §§ 1026.15 and 1026.23, and for purposes of §§ 1026.19(a)(1)(ii), 1026.19(a)(2), 1026.19(e)(1)(iii)(B), 1026.19(e)(1)(iv), 1026.19(e)(2)(i)(A), 1026.19(e)(4)(ii), 1026.19(f)(1)(ii), 1026.19(f)(1)(iii), 1026.20(e)(5), 1026.31, and 1026.46(d)(4), the term means all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. 6103(a), 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.

Counting Business Days:

Business Day (Loan Estimate [LE]) – For the purpose of counting **three (3) days from loan application** to deliver the Loan Estimate (LE), a business day is defined as "a day on which the creditor's offices are open to the public for carrying out substantially all of its business functions." This definition is also used for change of circumstances for re-disclosure. Note: Each lender may define their business days differently.

Business Day (Closing Disclosure [CD]) – For the purpose of counting the **three (3) day requirement prior to Closing** for Buyer or borrower's receipt of the CD, a business day includes all calendar days except Sunday's and certain legal public holidays as listed above.

Business Day (Earliest Closing and Other Waiting Period) – For the purpose of determining the earliest possible consummation date, a business day is defined the same as the CD definition, i.e. it includes Saturday. The earliest consummation may occur is on or after the seventh (7th) business day after the receipt of early disclosures (LE).

Closing Disclosure (CD) – Effective for all applications received on or after October 3, 2015, the Closing Disclosure is the TRID document that replaces the HUD-1/HUD-1A Settlement Statement and the Final TIL. It must be received by the borrower at least three (3) business days prior to Closing or consummation. A Seller must receive a copy of the Seller CD no later than the day of Closing or consummation.

Common Interest Community Documents (CIC) – Documents memorializing specific aspects of a community association, if one exists. This generally will include the Declarations: Covenants, Conditions and Restrictions, By-Laws, Articles of Incorporation and Resolutions.

Consumer - A cardholder or natural person to whom consumer credit is offered or extended. However, for purposes of rescission, the term also includes a natural person in whose principal dwelling a security interest is or will be retained or acquired, if that person's ownership interest in the dwelling is or will be subject to the security interest. And for the purposes of this document, this term may also be interchanged with "Buyer" or "Borrower", as buyer pertains to a purchase transaction and borrower pertains to a purchase or a refinance transaction.

Consummation – Occurs when the consumer becomes contractually obligated to the creditor on the loan. In Colorado, the lender will generally consider that consummation occurs when the borrower(s) signs the promissory note. The point in time when a consumer becomes contractually obligated to the creditor on the loan depends on applicable State law. (§ 1026.2(a) (13) and Comment 2(a) (13)-1). Delivery of the Closing Disclosure must occur at least three business days before this event.

Creditor – For the purposes of this document, this term may be interchanged with the term "Lender".

- A person who regularly extends consumer credit that is subject to a finance charge or is payable by written agreement in more than four installments, and to whom the obligation is initially payable, either on the face of the note or contract, or by agreement when there is no note or contract.
- A person regularly extends consumer credit only if it extended credit more than 25 times (or more than 5 times for transactions secured by a dwelling) in the preceding calendar year. If a person did not meet these numerical standards in the preceding calendar year, the numerical standards shall be applied to the current calendar year. A person regularly extends consumer credit if, in any 12-month period, the person originates more than one credit extension that is subject to the requirements of §1026.32 or one or more such credit extensions through a mortgage broker.

GFE – Good Faith Estimate

Impose a Fee - A fee is **imposed** by a person if the person requires a consumer to provide a method for payment, even if the payment is not made at that time.

Intent to Proceed. Borrower/Buyer has informed the Lender or loan originator to proceed with the loan after receipt of the LE. This is the earliest that fees (except credit report fees) can be collected from the Buyer or borrower.

Loan Commitment – Loan Commitment is that point in the loan approval process when the Lender has issued a Loan Approval (may also include a Clear-to-Close notification for some creditors). This event may be the trigger event that allows the creditor and title company to prepare, approve and issue the CD.

Loan Estimate (LE) - This disclosure replaces the GFE and initial TIL. It is required to be delivered within **three (3) business days of loan application**. Receipt by the borrower affects the ability to collect advance fees other than for a credit report.

Mortgage Loan Originator – For the purposes of this document this term refers to lenders, brokers and individual originators that may be employees of a lender or broker, as each role may apply to the requirements under the Rule. This term is interchangeable with "Loan Originator".

Mortgage Loan Originator means an individual who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan. (Colo. Rev. Stat. Ann. §12-61-902(6))

"Taking a residential mortgage loan application" means the receipt of a residential mortgage loan application by an individual for the purpose of facilitating a decision whether to extend an offer of residential mortgage loan terms to a borrower or prospective borrower, whether the application is received directly or indirectly from the borrower or prospective borrower. An individual's generic referral to or recommendation of a particular lender, in and of itself, is not taking a residential loan application.

"Offering or negotiating terms of a residential mortgage loan" means to present for consideration to a borrower or prospective borrower particular residential mortgage loan terms, or to communicate directly or indirectly with a borrower, or prospective borrower for the purpose of reaching a mutual understanding about prospective residential mortgage loan terms. An individual's generic referral to or recommendation of a particular lender, in and of itself, is not offering or negotiating the terms of a residential mortgage loan.

Note: Colorado has a more restrictive definition of "loan originator" than TILA, as cited above. The State's definition is met by the activities performed, whereas the federal definition, under 1026.36(a), requires that these activities also be performed in expectation of direct or indirect compensation or other monetary gain.

RESPA – Real Estate Settlement Procedures Act (Regulation X)

Stacked (Contingent Sequential) Closing - A Stacked Closing is a closing where the sale of another property must close before the current transaction to make the proceeds of the sale on the first transaction available to complete the second transaction (and so on down the line of stacked closings that are dependent on the closing of other transactions).

TILA – Truth in Lending Act (Regulation Z)

Underwriting (UW) – In the context of these best practices, UW is the series of processing and review events that lead to final loan approval and clear to close. Evaluation and verification activities related to this occur throughout the loan process.

APPENDIX D – LINKS TO INFORMATION AND REFERENCES

CFPB TRID Implementation Home Page – CFPB Website providing links, etc.

http://www.consumerfinance.gov/regulatory-implementation/tila-respa/

TRID Small Entity Compliance Guide

http://files.consumerfinance.gov/f/201503_cfpb_tila-respa-integrated-disclosure-rule.pdf

CFPB TRID Guide for Real Estate Professionals

http://www.consumerfinance.gov/know-before-you-owe/real-estate-professionals/

Guide to the TRID Forms

http://files.consumerfinance.gov/f/201503_cfpb_tila-respa-integrated-disclosure-guide-to-the-loan-estimate-and-closing.pdf

TRID Timeline Guide

http://files.consumerfinance.gov/f/201503_cfpb_tila-respa-integration-disclosure-timeline-example.pdf

NAR Website for TRID Information:

http://www.realtor.org/topics/real-estate-settlement-procedures-act-respa

NAR TRID Video:

https://www.youtube.com/watch?v=CLjFLD4LsnE

American Land Title Association (ALTA) site: http://www.alta.org/cfpb/index.cfm

MBA Website for TRID Information:

https://www.mba.org/issues/residential-issues/tila/respa-integration-rule

CFPB provided five webinars and created a question guide with time spots for answers given during the webinars.

Link to Live Webinars conducted by CFPB – Webinar 1 = **Overview of the Rule** (Jun 17, 2014)

https://consumercomplianceoutlook.org/outlook-live/2014/TILA-RESPA-Integrated-Disclosures-Rule/

Link to Webinar # 2 - **Q&A** on Various TRID Topics (Aug 26, 2014)

https://consumercomplianceoutlook.org/outlook-live/2014/FAQ-on-TILA-RESPA-Integrated-Disclosures-Rule/

Link to Webinar #3 – **Loan Estimate Form** (Oct 1, 2014)

https://consumercomplianceoutlook.org/outlook-live/2014/FAQ-on-TILA-RESPA-Integrated-Disclosures-Rule-3/

Link to Webinar #4 – **Closing Disclosure** (Nov 18, 2014)

https://consumercomplianceoutlook.org/outlook-live/2014/FAQ-on-TILA-RESPA-Integrated-Disclosures-Rule-4/

Link to Webinar # 5 – **Implementation Challenges and Questions (May 26, 2015)**

https://www.consumercomplianceoutlook.org/outlook-live/2015/TILA-RESPA-Integrated-Disclosures-Rule-5/

Q&A Time Grid – CFPB TRID Webinars (Provides time spots for answers to specific questions posed during the four webinar series)

http://files.consumerfinance.gov/f/201504_cfpb_question-index-outlook-live-webinars-on-tila-respa-integrated-disclosure.pdf

CFPB Summary of TRID Quantitative Studies (5 pages)

http://files.consumerfinance.gov/f/201311_cfpb_factsheet_kbyo_testing.pdf

Sample Forms (Completed)

Loan Estimate

Fixed –

http://files.consumerfinance.gov/f/201403_cfpb_loan-estimate_fixed-rate-loan-sample-H24B.pdf

Interest Only/ARM –

http://files.consumerfinance.gov/f/201403_cfpb_loan-estimate_interest-only-adjustable-rate-loan-sample-H24C.pdf

Refinance, Fixed (Note the placement of Lender Credits!)

http://files.consumerfinance.gov/f/201403_cfpb_loan-estimate_refinance-sample-H24D.pdf

Closing Disclosure

Fixed - (First link is the mate to the Fixed LE Above)

http://files.consumerfinance.gov/f/201403_cfpb_closing-disclosure_cover-H25B.pdf

Refinance (Mate to the LE Refinance)

http://files.consumerfinance.gov/f/201403_cfpb_closing-disclosure_cover-H25E.pdf

APPENDIX E – TRID CHANGE COMPARISON TABLE

Prior to October 3, 2015	PROVISION	Effective October 3, 2015
Closed-end consumer purpose transaction secured by residential real property upon which there is a structure designed for occupancy of 1-4 families	**Covered Loans**	TILA-RESPA Rule applies to most closed-end consumer credit transactions secured by real property. Credit extended to certain trusts for tax or estate planning purposes is not exempt from the TILA-RESPA rule.
• Business Purpose Loans • Loans secured by land (lot loans) • Loans secured by more than 25 acres • Construction-only loans • Reverse Mortgages • HELOCs	**Exempt Transactions**	• Business purpose loans • Reverse mortgages • HELOCs • Mortgages secured by a mobile home that is not attached to real property
• Borrower's name • Loan amount • Address of property • Monthly Income • Estimated value of the property • Social security number • Any other information deem necessary by the creditor	**Definition of application**	• Borrower's name • Loan amount • Address of property • Monthly Income • Estimated value of the property • Social security number
2 Disclosures • Good Faith Estimate (GFE) • Initial Truth in Lending (TIL)	**Initial disclosures**	One combined disclosure • Loan Estimate (LE)
• Must be delivered within 3 **general** business (general definition) days of application • Must be delivered at least 7 business days (specific definition) prior to consummation • Can be delivered via electronic delivery but must be compliant with the E-Sign Act	**Delivery / Timing for Initial Disclosure**	Same
A day on which the creditor's offices are open to the public for carrying out substantially all of its business functions. This definition is referred to as a **general** business day.	**Business day (general definition) – for delivery of initial disclosures and re-disclosures**	Same Any portion of the rule that utilizes this definition of business day will be referred to as **general** business day.
All calendar days except Sundays and legal public holidays specified in 5 U.S.C. 6103(a), such as New Year's Day, the Birthday of Martin Luther, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day,	**Business day (specific definition)**	Same

Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If there is no reference to the type of business day, use this definition.		If there is no reference to the type of business day, use this definition.
Receipt presumed three business days after delivered or placed in the mail • Applies to emails and other forms of electronic delivery	**Mailbox rule**	Same
All calendar days except Sundays and legal public holidays specified in 5 U.S.C. 6103(a), such as New Year's Day, the Birthday of Martin Luther, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day.	**Definition of business day for the mailbox rule**	Same
Must be provided within 3 **general** business days of application if the creditor permits the borrower to shop for a service	**Written list of service providers**	Same
Fees cannot be charged or collected until the GFE is provided and the borrower indicates an intent to proceed (exception is bona fide and reasonable fee for obtaining a credit report)	**Fee Collection**	Fees cannot be charged or collected until the consumer receives a Loan Estimate and indicates an intent to proceed (exception is bona fide and reasonable fee for obtaining a credit report)
Prohibited until GFE is provided and borrower indicates an intent to proceed	**Required verification documents**	Prohibited until the LE is provided and the borrower indicates an intent to proceed
Permitted but should not look like GFE	**Pre-Application Activity**	• Permitted but should not look like LE or GFE • Must state in at least 12 point font on the top of page 1 "Your actual rate, payment and costs could be higher. Get an official loan estimate before choosing a loan."
<u>Costs that cannot increase from GFE to HUD:</u> • The origination charge • Once the borrower's interest rate is locked: (1) the credit or charge for the interest rate chosen: and (2) the adjusted origination charge • Transfer taxes <u>Costs that can increase in the aggregate up to 10%:</u> • Lender-required, lender-selected settlement providers • Lender-required services, title services and title insurance when the borrower uses a service provider that is identified on the written provider list	**Permitted cost increase from application (GFE/LE) to Consummation (HUD-1/Closing Disclosure)**	<u>Costs that cannot increase from LE to Closing Disclosure (CD):</u> • Fees paid to the creditor/lender or mortgage broker • Fees paid to an affiliate of the creditor or mortgage broker • Transfer taxes • Fees paid to an unaffiliated third party if the creditor did not permit the consumer to shop for the service <u>Costs that can increase in the aggregate up to 10%</u> • Recording fees • Services the consumer is permitted to shop for and selects a provider from the lender/creditor's list. • Services the consumer is permitted to shop for and does NOT select a provider resulting in the creditor selected provider. • Services for which the creditor permits the consumer to shop, but fails to provide a written list of providers

Costs that can increase in any amount: • Prepaid interest • Property insurance premiums • Amounts paid into escrow • Charges paid to third- party service providers selected by the consumer that are not on the creditor's written provide r list • Charges paid for third-party services not required by the creditor	**Permitted cost increases from application disclosures to consummation**	Costs that can increase in any amount: • Prepaid interest • Property insurance premiums • Amounts paid into escrow • Charges paid to third-party service providers selected by the consumer that are not on the creditor's written list • Charges paid for third-party services not required by the creditor
Categories of changed circumstances: • Changed circumstance affecting settlement costs • Changed circumstance affecting the loan • Borrower requested changes • Expiration of the GFE (10 general business days) with no intent to proceed • Extended settlement for new construction loans if disclosed at application	**Changed Circumstances**	Categories of changed circumstances: • Changed circumstance affecting settlement charges • Changed circumstance affecting eligibility • Borrower requested changes • Lock events and interest rate dependent charges • Expiration of the LE (10 general business days) with no intent to proceed • Extended settlement for new construction loans if disclosed at application
Good Faith Estimate: • Increase in costs resulting from valid changed circumstance • Locking in the loan's interest rate • Expiration of the GFE with no intent to proceed • Permanent financing of construction loan more than 60 calendar days after original GFE w/construction loan disclosure • Change in any material term of the loan Initial TIL • APR becomes inaccurate by more than 0.125%	**Issuance of revised disclosures**	Loan Estimate: • Valid changed circumstance increase a fee paid to the lender/creditor, mortgage broker or affiliate of either, a fee for which the consumer is not permitted to shop or transfer taxes (zero tolerance fees) by any amount • Valid changed circumstance increasing the sum or fees for charges the consumer is permitted to shop for or recording fees (10% tolerance fees) by more than 10% • Locking in the loan's interest rate • Expiration of the LE with no intent to proceed • Permanent financing of construction loan more than 60 calendar days after original LE with construction disclosure (if notice is provided to the consumer
GFE: • Sent within 3 **general** business days of receiving information sufficient to establish that changed circumstance occurred TIL: • Under MDIA, revised TIL with APR change of more than 0.125% must be received 3 business days prior to closing (0.250 for irregular loans)	**Timing of revised application disclosures**	Loan Estimate: Sent within 3 **general** business days of receiving information sufficient to establish that a changed circumstance as cited above, except: • Revised LE cannot be received by the consumer on or after the same day the consumer receives the Closing Disclosure (CD). Revised LE must be received at least 4 business days prior to consummation • If delivering the revised LE by means other than in person, (including electronic delivery) the disclosure is considered to be received 3 business days after placing it in

		the mail (mailbox rule – defined above) unless the creditor receives proof of receipt
2 disclosures: HUD-1 Settlement Statement and final Truth in Lending disclosure	**Consummation/Closing disclosures**	One combined disclosure: Closing Disclosure (CD)
• Final Truth in Lending - creditor • HUD-1 Settlement Statement – settlement agent	**Responsible party for accuracy of consummation disclosures**	CD – While the lender/creditor may agree to divide responsibility with the settlement agent, the creditor remains primarily responsible
• When requested, available to the consumer one business day prior to consummation • At or before closing	**Delivery of consummation disclosure**	• Received by borrower no later than 3 business days prior to consummation • Cannot be received by the consumer on the same day as the revised LE • If delivering the CD by any method other than in person, the disclosure is considered to be received 3 business days after placing it in the mail (see mailbox rule) unless the creditor proves receipt • Can be delivered via electronic delivery but must be compliant with the E-Sign Act
An inadvertent or technical error in completing the HUD-1 requires a revised HUD-1 be provided within 30 calendar days of settlement Tolerance cures can be made on the HUD-1 settlement statement	**Subsequent changes to the consummation disclosures**	Changes before consummation requiring a revised CD and new 3 business day wait period: • APR changes by more than .125 on a regular transaction as defined in 1026.22 • Change in loan product • Addition of prepayment penalty Changes before consummation requiring a revised CD, but no new wait period: • Any change other than the changes described above • When requested by the consumer, the revised CD must be available 1 business day prior to consummation Post consummation changes requiring a revised CD: • Events that cause a change to the amount the consumer paid that occur within 30 calendar days of consummation – the revised CD is required within 30 calendar days of receipt of change information • Non-numeric clerical errors – Revised CD required within 60 calendar days of consummation • Tolerance cures can be made on the CD
If tolerance cure is missed on the HUD-1, to correct: • Provide a revised HUD-1 to consumer • Make appropriate refund to consumer within 30 calendar days after settlement	**Tolerance Violations Post Consummation**	To correct: • Provide a revised CD to consumer • Make appropriate refund to consumer within 60 calendar days after settlement

APPENDIX F - VERSIONING

Document Owners

Land Title Association of Colorado (LTAC),
Colorado Mortgage Lenders Association (CMLA),
Colorado Association of Realtors (CAR),
Colorado Association of Hispanic Real Estate Professionals (CAHREP),
Colorado Association of Mortgage Professionals (CoAMP),
Colorado Association of Certified Closers (CACC)

Version History

6/10/2015	Initial combined draft
7/23/2015	Edit modifications; content unchanged.
8/27/2015	Definition of TIP changed to match disclosures; no material content changes. CIITTF approved final draft for publishing.