



CFPB Issues RESPA-TILA Integrated Disclosures Final Rule

01.13.2014

On November 20, 2013, the Consumer Financial Protection Bureau (the “CFPB”) issued the [RESPA-TILA Integrated Disclosures Final Rule](#). The 1,888 page rule will become effective for applications taken on or after August 1, 2015, and applies to most closed-end consumer mortgage loans. The rule does not apply to certain loan types, including home equity lines of credit and reverse mortgages.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) transferred authority for the Real Estate Settlement Procedures Act (“RESPA”) and the Truth In Lending Act (“TILA”) to the CFPB, and directed the CFPB to create rules and model forms that combine certain RESPA and TILA disclosures that consumers receive in the mortgage application and closing process into “integrated” or “combined” disclosures.

In the Final Rule, the CFPB published two new model forms, a three-page Loan Estimate and a five-page Closing Disclosure. The Loan Estimate replaces the Good Faith Estimate (“GFE”) and the initial Truth in Lending Disclosure (“TIL”), and must be delivered to consumers within three business days of application. The Closing Disclosure replaces the HUD-1 Settlement Statement and the final TIL, and must be received by consumers no later than three business days prior to settlement. In addition to combining the previously separate forms, the rule contains a number of significant changes to the current RESPA and TILA requirements, with respect to both timing and content.

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