



**every
one**

deserves a decent
place to live.

Homeowner Selection / Mortgage Origination Part 2 Midwest Regional Conference, April 2025

Sonia Lee – Director, Homeowner and Mortgage Services

Part 2 Topics

Homeowner Selection – Initial Assessment or ECOA Phase Cont'd

- House Pricing and Mortgage Structuring
- Preparing for Sale
- Final Assessment or RESPA/TRID Phase



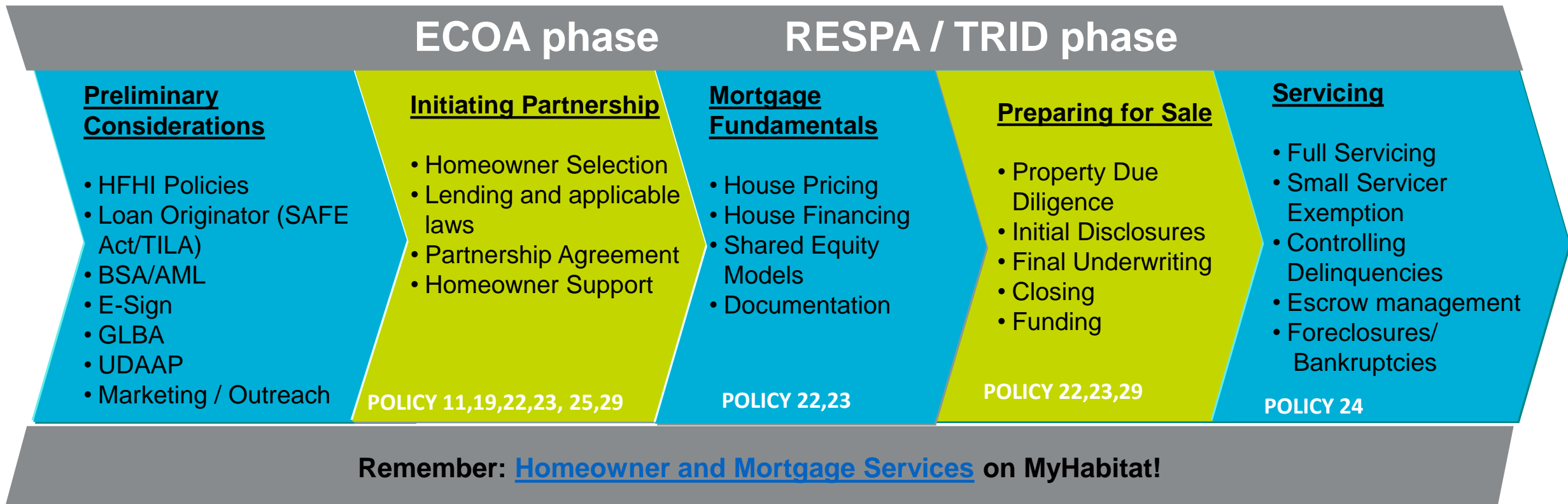
This material is for informational purposes only and should not be considered legal advice. Seek appropriate counsel to obtain advice for your own situation.



Homeowner Selection Process

Initial Assessment (ECOA) phase
and

Final Assessment (RESPA) phase



[Mortgage Origination Checklist](#)

Initial Assessment – Program Qualifications

Special Purpose Credit Program – serve **economically disadvantaged persons** - **permits lender to set qualification criteria**

Need

- AMI – financial need
- Substandard housing

Other

- GSA residency
- Legal US residency
- Criminal History

Ability
to Pay

- Underwriting – income and debt verification

Willingness
to Partner

- Willingness to participate in program items

- Consistently apply **policies and procedures**
- Each program criteria must have **objective criteria** to determine eligibility
- **Avoid** any appearance of **impropriety**

Initial Assessment – Inquiry vs. Application

Application can be oral or written

Inquiry vs. Application: avoid turning inquiries into applications, which invokes notice requirements for credit decisions

- **Do not** give opinion about likelihood of acceptance
- A good phrase if asked direct questions: “There are many factors that contribute to being approved or denied. We invite you to submit an application”
 - Develop a script for personnel to use
 - Keep the conversation to the program specifics, not the potential applicant’s specifics

Initial Assessment

Policy

Application Intake

Date stamp
submitted
application

30 calendar
days for notice of
action taken



Assessing
Applications

- Need
- Willingness to Partner
- Ability to Pay
- Other

- [NOI](#)
- [Denial](#)
- [Informational NOI](#)

“Completed”
application

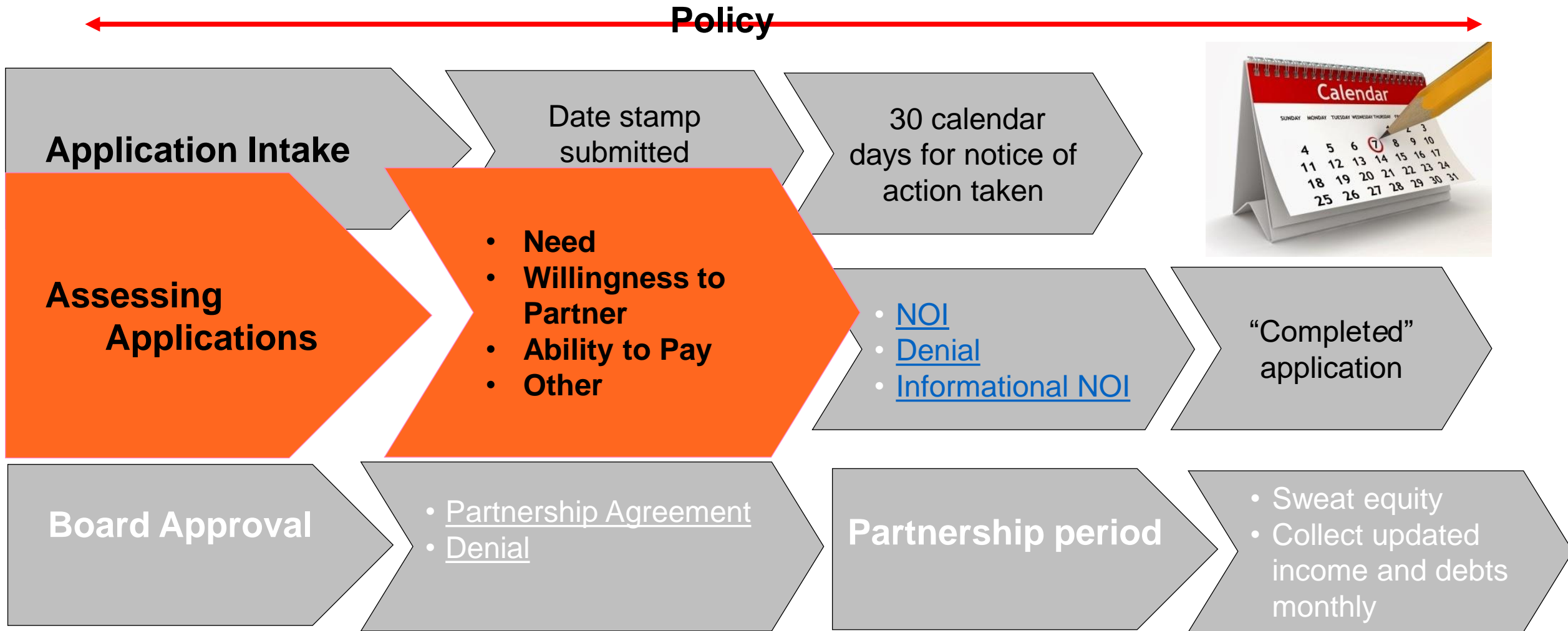
Board Approval

- [Partnership Agreement](#)
- [Denial](#)

Partnership period

- Sweat equity
- Collect updated income and debts monthly

Initial Assessment



Initial Assessment – Underwriting

Underwriting – verification of income, assets, employment

- Independent verification – remove the applicant from the verification process
- Assets – does your affiliate's policy address assets?
- Income – if wage earner, does the pay statements match up with the application?
 - Is the income deposited into a bank account or multiple accounts? Have you verified the bank statement(s)? [Request for Transcript of Tax Return 4506c](#)
 - Is monthly expenses more than the reported income?
- Residential Mortgage Credit Report (RMCR) – gives a mortgage lender a full picture of the applicant(s) credit history. A tri-merge, is good, but not as comprehensive
 - Ensure that all credit is listed on the application
 - Judgement/liens/charge offs – do they fall in line with your policy
- What does the lease, utility bills tell you? Cell phone bills – how many lines are being paid for?
- Bank statements – sole or joint? Are there unknown regular deposits that is not disclosed?
 - Are there transfers to other accounts, but you don't have the statements for that account?
 - Are routine payments (car note, groceries, day care, rent, utilities, etc.) coming from an account that you can verify?
- Tax Docs – does info match application?

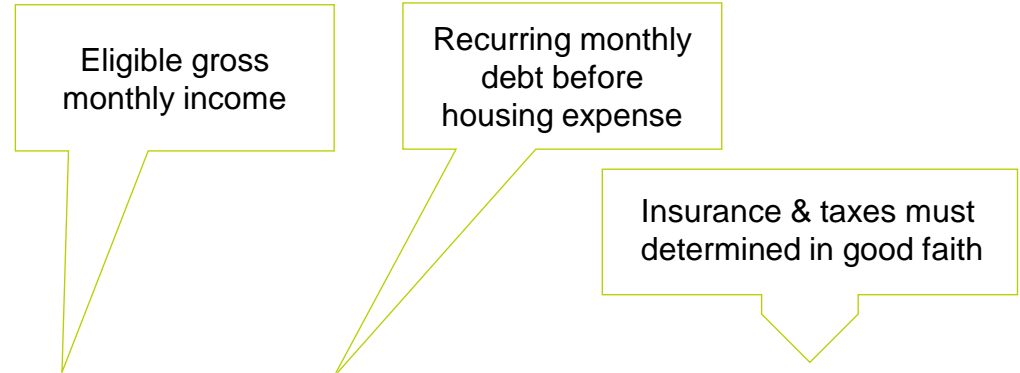
TRUST but VERIFY

Initial Assessment – Underwriting cont'd

Underwriting – verification of income, assets, employment

- Policy must include what the affiliate requires – how do you verify tip income?
- Procedures include how to carry out the process
- Policy must define:
 - Qualifying income - To Gross-up or not to Gross-up
 - Collection items; judgments; liens; bankruptcy and foreclosure
 - Front and Back-end ratios (policy caps at 30/43%)
 - Assets
 - Down payment and/or Closing Costs
 - Building on land owned by applicant, **lots of risk** Building on applicant land (AOM)
 - Compensating factors
 - If using alternate credit – what time period will be reviewed and what will be acceptable
 - Medical debt
 - Student loan debt
 - Applicant is co-signer on another debt or authorized user

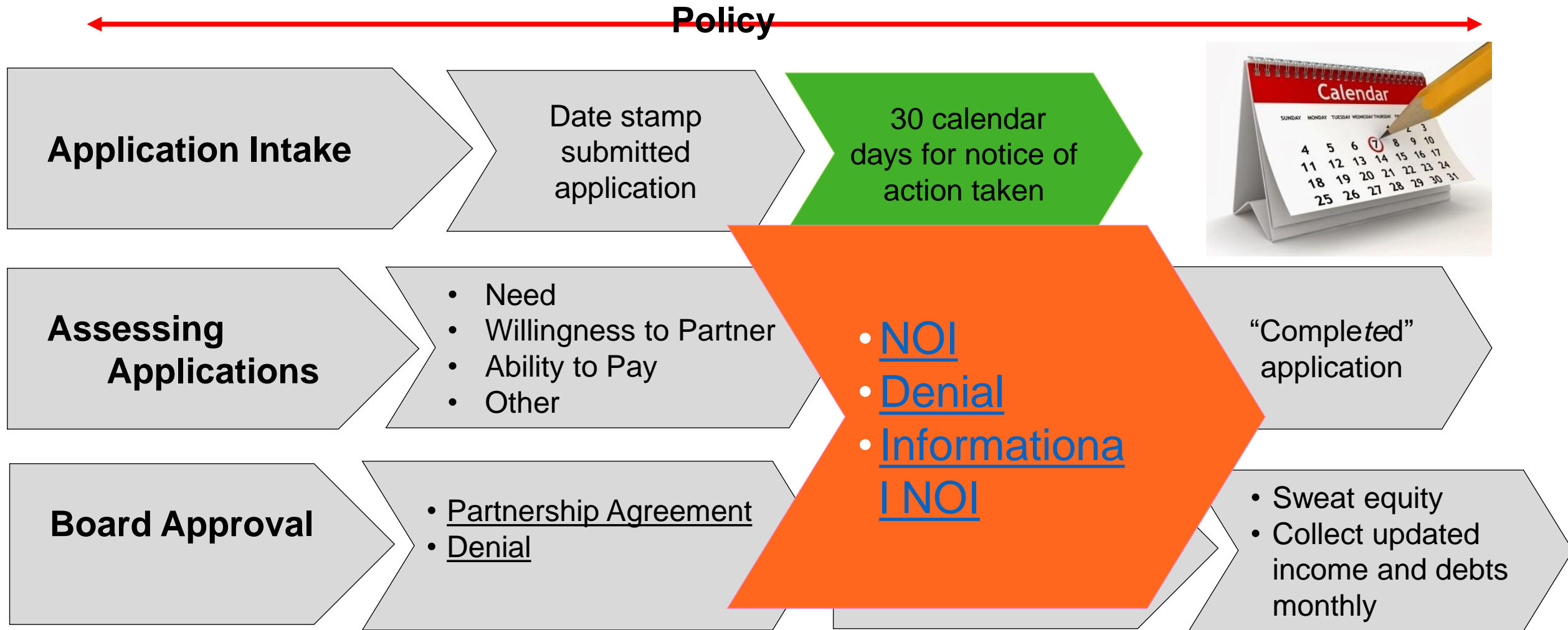
Initial Assessment – Underwriting cont'd



Income	Debt	Insurance	Taxes	Term	1 st	2 nd
\$3,400	\$500	\$108.33	\$118.17	20/240	\$176,520	\$58,480
				25/300	\$220,650	\$14,350
				30/360	\$235,000	\$0

[Mortgage Underwriting Calculators](#)

Initial Assessment cont'd

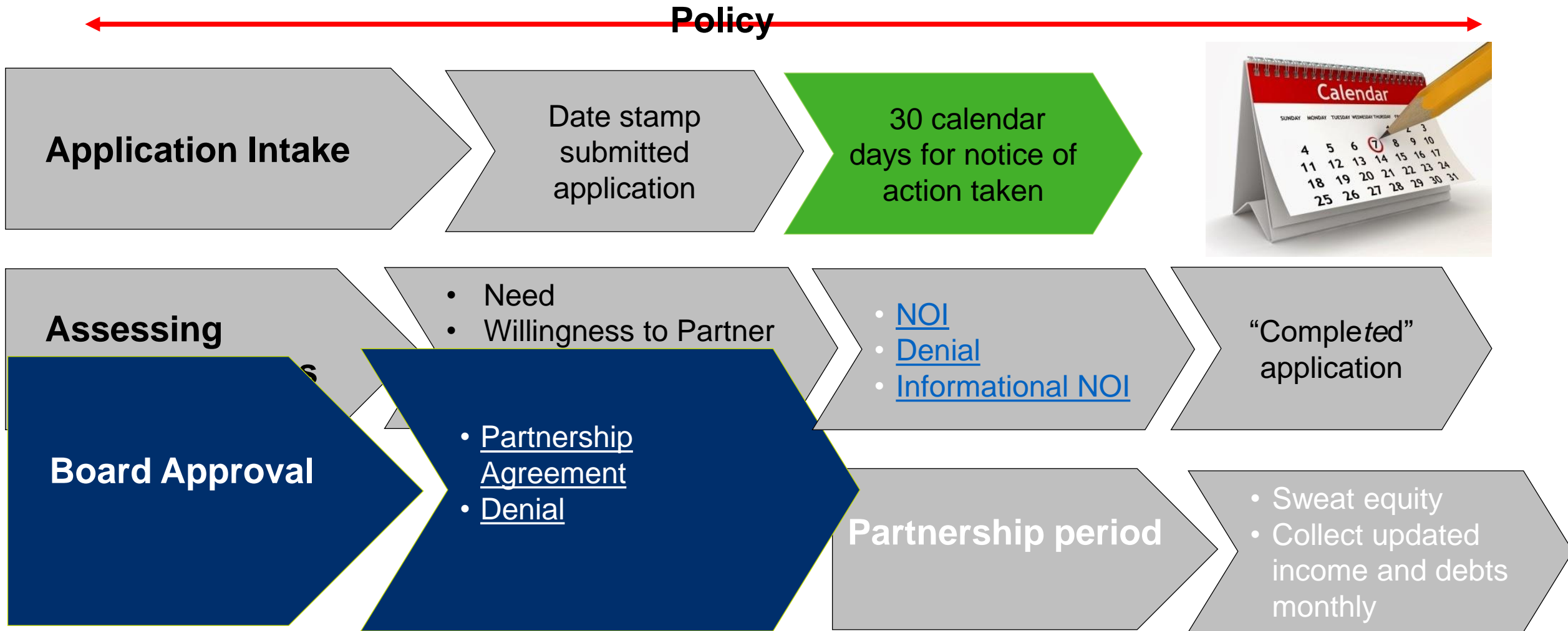


Homeowner Selection Reporting to the Board

****Reminder - Fair Lending Protections**

- Provide a summary of applicant and household
 - Best to use a unique identifier for each applicant – not their name(s)
 - # of adults and children, and want to stay in the area because of schools – not always necessary to disclose single parent with 3 children
 - NEED: Household AMI, why current housing is substandard
 - ABILITY TO PAY: borrower's DTI – all verifications have been received
 - WILLINGNESS TO PARTNER: all meetings to date have been on time, and orientation meeting was attended

Initial Assessment



Initial Assessment – Approved Applicants

Partnership Period – Homeowner Support

- During this time, regular meetings with applicant(s) – at least monthly
 - Monitor performance to Partnership Agreement
 - Collect updated information
 - This fulfills the ECOA requirement to keep the applicant apprised of their application status
- Lot assignment
- Punch List
- House Closing – coordinate with QLO
- Celebrations - [Sample Media Waiver](#) (know the state laws)

Initial Assessment – Approved Applicant cont'd

Deselection only permitted in the following cases:

1. Demonstrated fraud on the application;
2. Failure to complete the requirements set forth in the Partnership Agreement (i.e., sweat equity, homeownership classes);
3. Negative change in financial condition that would significantly diminish the ability to pay; or
4. Sex offender or Criminal Background conviction – unacceptable based on affiliate policy

Initial Assessment Recap

- Know the applicable state and federal law
- Homeowner selection/origination policy is necessary
- Outreach and marketing – have a plan and budget
- Habitat homeownership program is a Special Purpose Credit Program - ECOA
- Must have a QLO
- Distributing applications – cannot restrict or discourage consumers
- Notice of Action Taken notification requirement adherence
- Always Protect the affiliate by not oversharing information to Board
- Approved applicants – **Partnership Period – Support**
- **Deselection can only occur in 4 instances as per Policy 11**

House Pricing and Mortgage Structuring



Policy 22 - Sale of the Housing Unit

Sales Price

- Sales price is Fair Market Value NOT Total Development Costs (or Funder's requirements)
- Independent appraisal must be obtained for each property sold
- Affordability is achieved through financing
- CLTV should equal 100% of sales price; if closing costs are financed in the 1st mortgage, CLTV should not exceed 105% (No Upside-Down Mortgages)

Structuring the Sale

- Must convey Marketable Title
- First Right to Purchase must be included (First Offer or First Refusal)
- Shared Equity structures are allowed (e.g., land trust/ground lease, deed restrictions)

Policy 22 - Sale of the Housing Unit cont'd

Structuring the Sale cont'd

- Shared Appreciation is allowed – but not as a pricing or financing term
- Contracts for deed, land sale contracts, installment land contracts are prohibited

Closing and Record Retention

- Supervised by qualified residential real estate professional in accordance with applicable laws
- Disclosures must be provided within legally prescribed timeframes
- Homebuyers must be provided the reasonable opportunity to understand all relevant information describing the sale and financing of the housing unit

Fair Market Value vs. Total Development

- Total Development Cost (TDC) is somewhat arbitrary – no 2 affiliates factor the same items in TDC
 - Misleading to donors
 - Vastly different sales price for the same house
- Fair Market Value (FMV) sets a uniform process across all affiliates
 - Minimizes NIMBY; protects market values
 - Reduces over-subsidies, leading to more households being served
 - Transparency in the transaction

Mortgage Structuring / Financing

Affordability is determined by financing

- Financing is determined by the income of the borrower(s), not the entire household's
- Front-end ratio not more than 30% gross income
- Back-end ratio not more than 43% gross income

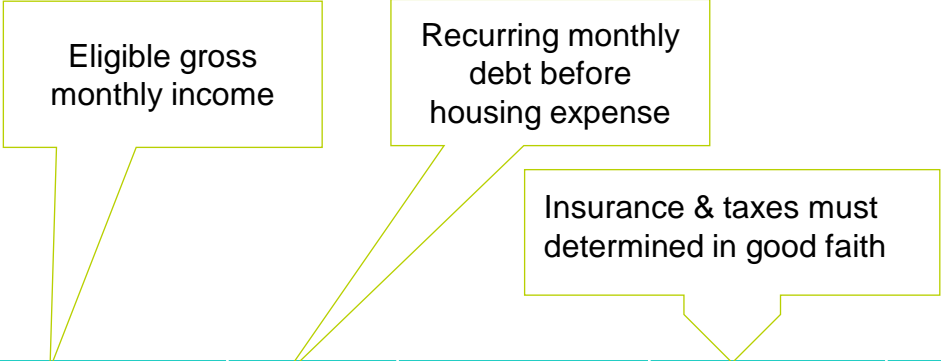
Front End Ratio – Housing Expense

- Principal
- Real Estate (Property) Taxes
- Homeowner (Hazard) Insurance
- Flood Insurance (if applicable)

Back End Ratio – Recurring Debts (DTI)

- Car loan
 - Student loan
 - Credit cards
 - Medical Debt
 - Child Support
 - Housing Expense - front end ratio
- Debts expected to take more than 10 months to repay

Mortgage Structuring/financing cont'd



Income	Debt	Insurance	Taxes	Term	1 st	2 nd
\$3,400	\$500	\$108.33	\$118.17	20/240	\$176,520	\$58,480
				25/300	\$220,650	\$14,350
				30/360	\$235,000	\$0
Income	Debt	Insurance	Taxes	Term	1 st	2 nd
\$3,400	\$450	\$108.33	\$118.17	20/240	\$188,520	\$46,480
				25/300	\$235,000	\$0
		Lower monthly payment		30/360	\$235,000	\$0

Preparing for Sale



Property Due Diligence

Title exam

- Must transfer marketable title to buyer

Flood Determination

- Is flood insurance required?

Owner's title policy is very important to protect investment

Conveyance

Deed

- Limited warrant deed (preferred)

Right of Repurchase

- First Right of Refusal (preferred)

Documentation

Promissory Note

- Establishes the borrower's "promise to pay"

Security Instrument

- Mortgage/Deed of Trust/Deed to Secure Debt
- Secures the payment; provides remedies for default, including affiliate's right to foreclose

Pricing, Mortgage Structuring & Preparing for Sale Recap

- Policy 22 requires sales price to be set at FMV or funders requirement
- Total Development Costs (TDC) no longer a factor in the sales price of a house
- Every house sold must be the subject of an appraisal
- Must have a policy for financing loans – DTI capped at 30/43%
- Front-end ratio includes all fees that will be financed
- Underwriting includes information from interviews, home visit, credit report, independent verification and on the application
- Mortgage structuring can include reducing or increasing the term, or lowering the repayable amount

Pricing, Mortgage Structuring & Preparing for Sale Recap cont'd

- Property due diligence is crucial
 - Marketable Title must be transferred to borrower
 - Flood zone requires flood insurance
- Owners title insurance is important to the borrower
- Right of Repurchase – First Right to Purchase is best
- Note and Security Instrument must be accurate


Final Assessment RESPA Phase



Habitat Application Process

Two phases, one mortgage origination process

(1) **Initial Assessment phase**, also known by Habitat as the *ECOA phase*, which includes homeowner selection, the application (and screening portions), and homeowner assessment processes that an affiliate might use.



(2) **Final Assessment phase**, also known by Habitat as the *RESPA/TRID phase*, which includes the final assessment, final underwriting, and closing disclosures and processes.

Note that these two phases may overlap. Accordingly, once an applicant begins providing information to the affiliate, determine whether an application is triggered by law or by policy. [Mortgage Origination Checklist](#)

Final Assessment – RESPA Phase

1 application with a 2 Phase Process [Mortgage Origination Checklist](#)

RESPA - High level overview

Triggering event – Ordering of appraisal

Set financing

Provide disclosures

- Initial (TRID or GFE/TIL, state)

Final underwriting

Closing Disclosures - CD or HUD-1/TIL, state

- Conveyance documents

Federal law defines when a RESPA / TRID application is triggered

Final Assessment – RESPA Phase

- Ordering appraisal signals RESPA phase is approaching
 - Define what signals the appraisal
 - Identify who needs to be involved – everyone must be on the same page – ***communication, communication***
- **RESPA / TRID laws defines a completed application**
 - Triggers initial disclosures – TRID or non-TRID
 - Final underwriting – re-pull credit and obtain current income documents as required
 - ECOA - Appraisal must be provided to homebuyer promptly

Final Assessment - TILA / RESPA Integrated Disclosures (TRID) Analysis

Is your affiliate subject to TILA-RESPA Integrated Disclosure (TRID) rule?

1. Determines when a mortgage application is triggered; &
 2. Governs which initial and closing disclosures to provide to homebuyer and required timeframes
- YES, if in the current or prior calendar year:
 - More than 5 mortgages; OR
 - More than 25 consumer loans (secured or unsecured)
 - Most soft subordinate mortgages (soft seconds) do not count. Will only count in this threshold calculation if (i) subject to finance charge; or (ii) payable in more than 4 installments

Final Assessment – RESPA Phase

TILA/RESPA Integrated Disclosure (TRID)

Forgivable subordinate liens don't count

- Determines when a RESPA / TRID application is triggered
- **Loan Estimate (LE):** disclosures key features, costs, and risks of the mortgage loan (replaces GFE & Initial TIL Statement)
 - timing of delivery remains the same – 3 days after RESPA application
- **Closing Disclosure (CD):** disclosures of all of the costs of the transaction (replaces HUD-1 and Final TIL)
 - Must be provided 3 business days before consummation

Final Assessment – RESPA Phase

Appraisal Ordered - signals that RESPA phase is approaching

1. Borrower's name;
2. Borrower's monthly income;
3. Borrower's SSN;
4. Property Address;
5. Estimate of value of property; and
6. Loan amount

Initial disclosures are triggered when all 6 or 7 (as applicable) items are present

If affiliate is not subject to TRID, add:

7. Any other information deemed necessary by the loan originator

Federal law defines when a RESPA / TRID application is triggered

Final Assessment – RESPA Phase

1

Order appraisal

- Review completed appraisal, if correct approve it
- Set financing – no more than 30% of GMI for housing expense and no more than 43% for all long-term debts
- FMV is the sales price
- **RESPA / TRID defined application is triggered**

2

Initial Disclosures

- RESPA vs. TRID?
- Within 3 business days of setting financing, provide disclosures to borrower (1st & sub lien(s):
 - RESPA - (GFE) & Truth In Lending statement
 - TRID - Loan Estimate (LE)
 - applicable state disclosures

TRID

Non-TRID

Sub Liens

3

Pre-closing

- Reverify income, employment (as applicable, credit history
- Ensure that all conditions to close are completed (PA)
- Redisclose if required

4

Closing

- Final disclosures TRID vs RESPA – timing requirements
- Conveyance documents

Final Assessment – RESPA Phase

Subordinate Lien

Closing Disclosures – 2nd mortgage

Generally, subordinate mortgages only need a TIL statement (funders may require other disclosures)

Right of Rescission (TILA)

Only for repair products when lien is placed on house

2 copies, to each owner

Borrower (or other title holder) has until midnight of third business day to rescind loan.

Final Assessment - RESPA Phase Recap

- Also known as final loan closing
- Must know the event that triggers this phase
- Must know which disclosures to issue to borrowers
 - TRID/ non-TRID
- Initial and closing disclosures have legal timelines associated with providing to borrowers
- If a “repair” loan is secured by a mortgage, Right of Rescission is required

Record Keeping

GLBA requires safeguarding of customer information

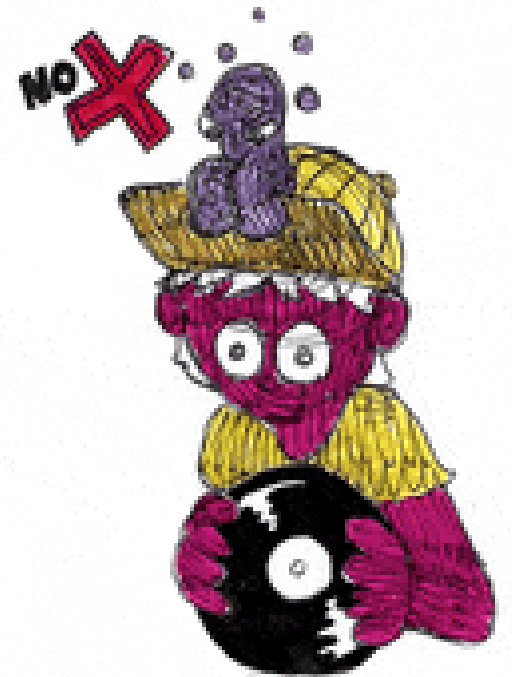
- Files can be electronic or paper
- Limit access to files
- All loan applications including information that led to the decision must be kept for 25 months after date of action taken (ECOA)
- A Closed loan - including all disclosures must be maintained for 5 years after loan closing (RESPA/TILA/TRID)
- Servicing file must be held for 1 year after the loan is paid off or transferred
- Foreclosure Records must be maintained for 5 years after date of Foreclosure

Know your state laws that may have different requirements!

Be mindful of other regulation's requirements (e.g., BSA)



HOW TO HOLD A RECORD



Thank you!

**Sonia Lee - HFHI
Director Homeowner
and Mortgage
Services (HoMS)**

Disclaimer: This material is for informational purposes only. I am not a lawyer, and this should not be considered legal advice. You should seek appropriate counsel to obtain advice for your own situation.

Affiliate Support Center

Monday to Friday

8:00am to 8:00pm

ussupportcenter@habitat.org

or

1-877-434-4435

Reference resources

[Guide to HoMS](#)

[HoMS Top 10 Requirements](#)

[Homeowner Selection AOM](#)

[Homeowner Support AOM](#)

[Mortgage Origination Checklist](#)

[Homeowner Association Affiliate Chats](#)

Homeowner Selection AOM

Chapter 1 – Introduction

About the Homeowner Selection AOM, Ministry & Mission, Overview of the Selection Process

Chapter 2 – Prepare for Homeowner Selection

Getting Organized, Legal, Homeowner Selection Documents, Developing Homeowner Selection Criteria

Chapter 3 – Outreach to Prospective Homeowners

Planning and Implementing Promotional efforts

Chapter 4 – Application Processing

Loan Originator, Obtaining Completed Homeowner Applications, ECOA Requirements, Application Timeline, Qualification & Verification,

Chapter 5 – Selecting the Homebuyer

Final Review, Report to Board, Board Action, Applicant Waiting List

Chapter 6 - Communicate the Decision

Notification - Denial, Notification - Approval, De-Selection

Chapter 7 – Pre-closing, Including Final Underwriting (recertification of applicant)

Final Underwriting of Prospective Homeowner

Chapter 8 – Appendices

Quick Reference Guide to the Appendices referenced in this Manual

[Homeowner Selection Affiliate Operations Manual](#)



Appendix

Changed Circumstance

TRID Tolerances

Zero tolerance

Creditors may not charge consumers more than the amount disclosed on the Loan Estimate, other than for changed circumstances that permit a revised Loan Estimate. charges include but are not limited to the following:

- Fees paid to the creditor, mortgage broker, or an affiliate of either
- Fees paid to an unaffiliated third party if the creditor did not permit the consumer to shop for a third-party service provider for a settlement service
- Transfer taxes

10 percent Cumulative tolerance

Creditor may charge the consumer more than the amount disclosed on the Loan Estimate for any of these charges so long as the total sum of the charges added together does not exceed the sum of all such charges disclosed on the Loan Estimate by more than 10%. These charges are:

- Recording fees
- Charges for third-party services where:
 - The charge is not paid to the creditor or the creditor's affiliate; and
 - The consumer is permitted by the creditor to shop for the third-party service, and the consumer selects a third-party service provider on the creditor's written list of service providers..

Without tolerance

Creditors may charge consumers more than the amount disclosed on the Loan Estimate without any tolerance limitation for certain costs or terms, but only if the original estimated charge, or lack of an estimated charge for a particular service, was based on the best information reasonably available to the creditor at the time the disclosure was provided. These charges are:

- Prepaid interest; property insurance premiums; amounts placed into an escrow, impound, reserve or similar account.
- Charges paid to third-party service providers for services required by the creditor if the creditor permits the consumer to shop and the consumer selects a third-party service provider not on the creditor's written list of service providers.

Changes Circumstances - TRID

Revised Loan Estimate (LE)		
<i>Type of Changed Circumstance</i>	<i>Description</i>	<i>What can change</i>
Affecting the settlement charge	<ol style="list-style-type: none"> 1. An extenuating circumstance beyond the control of all interested parties or an unexpected event within the loan transaction; OR 2. Information specific to the consumer or transaction that was inaccurate or changed after the disclosures were provided; OR 3. New information specific to the consumer or transaction. 	<ul style="list-style-type: none"> • Only those charges justified by the reason for the revision may be increased. • Third-party costs: revised LE when the total amount of third-party fees exceeds the 10% tolerance.
Affects the consumer's eligibility	<p>Changes in the value of the subject property or the consumer's credit-worthiness, resulting in the consumer being ineligible for loan terms previously disclosed. <i>For example: The consumer stated annual income is \$30,000, but actual annual income is \$35,000. If this change results in an increase in settlement service charges/loan amount, a revised LE may be provided.</i></p>	<p>Only those charges justified by the reason for the revision may be increased.</p>

Changes Circumstances – TRID cont'd

Revised Loan Estimate (LE)		
<i>Type of Changed Circumstance</i>	<i>Description</i>	<i>What can change</i>
Borrower requests change	The consumer requests revisions to the credit terms or settlement that affect the LE and cause an increase.	Only those charges justified by the reason for the revision may be increased. If amounts decrease or increase only to an extent that does not exceed the applicable tolerance (0% or 10%), the original LE is still deemed to be in good faith and redisclosure is not permitted.
Expired LE	The Borrower indicates an Intent to Proceed with the transaction more than 10 business days after the initial LE was delivered or placed in the mail to the Borrower.	All charges and terms may change. No justification for changes needs to be documented.

Revised LE must be provided within 3 b-days of receiving the information leading to the change. If a Closing Disclosure (CD) has been issued, a revised LE cannot be provided. The CD will have to be revised.

Cannot revise for technical errors, miscalculations, or underestimations of charges.

Changes Circumstances – TRID cont'd

Revised Closing Disclosure (CD)		
<i>Type of Changed Circumstance</i>	<i>Description</i>	<i>What can change</i>
Changes that occur AFTER delivery of the CD and BEFORE consummation that require a new 3- business- day waiting period.	<ol style="list-style-type: none"> The disclosed APR becomes inaccurate. if the APR increases more than 1/8 of 1 percentage point (0.125%) above the last-disclosed APR. The loan product changes or the loan product features change. A prepayment penalty is added. (Academy doesn't currently offer loans with a prepayment penalty.) 	<p>The consumer must receive the revised CD no later than 3 business days before consummation.</p> <p>An additional 3 business days is required for delivery if not delivered face-to-face unless acknowledgement of receipt is provided by all required parties. In a rescindable transaction, all parties must receive the revised CD.</p>
Changes that occur BEFORE consummation and do not require a new 3-business-day waiting period.	<p>Certain charges will be subject to good faith and tolerance requirements.</p> <p>Provide a corrected CD to the borrower with any terms or costs that have changed that do not require redisclosure with another 3-business-day waiting period.</p>	<p>The CD may be provided to the consumer at consummation; however, if requested by the consumer, Academy must provide the CD one business day prior to consummation for review.</p>

Changes Circumstances - GFE

- Acts of God, war, disaster, or other emergency;
- Information particular to the borrower or transaction that was relied on in providing the GFE and that changes or is found to be inaccurate after the GFE has been provided. This may include information about the credit quality of the borrower, the amount of the loan, the estimated value of the property, or any other information that was used in providing the GFE;
- New information particular to the borrower or transaction that was not relied on in providing the GFE; or
- Other circumstances that are particular to the borrower or transaction, including boundary disputes, the need for flood insurance, or environmental problems.
- Changed circumstances do not include:
 - (i) The borrower's name, the borrower's monthly income, the property address, an estimate of the value of the property, the mortgage loan amount sought, and any information contained in any credit report obtained by the loan originator prior to providing the GFE, unless the information changes or is found to be inaccurate after the GFE has been provided; or
 - (ii) Market price fluctuations by themselves

GFE Tolerances

Zero Tolerance

The fees estimated on the GFE may not be exceeded at closing. These fees include:

- The loan originator's own origination charge, including processing and underwriting fees;
- The credit or charge for the interest rate chosen (i.e., yield spread premium or discount points) while the interest rate is locked;
- The adjusted origination charge while the interest rate is locked; and
- State/local property transfer taxes.

Ten percent tolerance

While each individual fee may increase or decrease, the sum of the charges at settlement may not be greater than 10 % above the sum of the amounts included on the GFE.

This category includes fees for:

- Loan originator required settlement services, where the loan originator selects the third-party settlement service provider;
- Loan originator required services, title services, required title insurance and owner's title insurance when the borrower selects a third-party provider identified by the loan originator; and
- Government recording charges

No tolerance

These fees are not subject to any tolerance restriction. The amounts charged for the following settlement services included on the GFE can change at settlement and the amount of the change is not limited:

- Loan originator required services where the borrower selects his or her own third-party provider;
- Title services, lender's title insurance, and owner's title insurance when the borrower selects his or her own provider;
- Initial escrow deposit;
- Daily interest charges; and
- homeowner's insurance.

Appendix

Initial and closing disclosures

Non-TRID disclosures: 1st lien loans

Requirements	Disclosure
<p>RESPA - Initial disclosures</p> <p>To be delivered to applicants within 3 b-days of receiving : (1) borrower's name; (2) borrower's monthly income; (3) borrower's social security number; (4) property address; (5) estimated value of property; (6) mortgage loan amount sought; and (7) other info needed by lender to make a decision.</p> <p>TILA</p> <p>GLBA</p>	<ul style="list-style-type: none"> • Good Faith Estimate (GFE) delivered at least 7 business days before closing • CFPB Settlement Cost Booklet • Mortgage Servicing Disclosure Statement • Affiliated Business Arrangement Disclosure (if applicable) • List of Homeownership Counseling Organizations • Intent to proceed • Initial TIL Statement • Written List of Providers (if applicants can shop for services) Initial Privacy Notice*
<p>Closing disclosures</p> <p>Best practice to provide HUD-1 24 hrs. before closing</p>	<ul style="list-style-type: none"> • HUD 1 (Settlement Statement) • Final TIL Statement • Initial Escrow Statement
<p>Ongoing</p>	<ul style="list-style-type: none"> • Annual Escrow Analysis • Notice of Transfer (servicing) • Annual Privacy Notice • Escrow Cancellation Notice

TRID disclosures: 1st lien loans

Requirements	Disclosure
<p>TRID</p> <p>RESPA – Initial disclosures To be provided to applicants within 3 days of receiving: (1) borrower’s name; (2) borrower’s monthly income; (3) borrower’s social security number; (4) property address; (5) estimated value of property; and (6) mortgage loan amount sought. Must be delivered at least 7 business days prior to closing</p> <p>GLBA</p>	<ul style="list-style-type: none"> • Loan Estimate (LE) • Intent to Proceed • Written List of Providers (if applicants can shop for services) • Your Home Loan Toolkit • Affiliated Business Arrangement Disclosure • List of Homeownership Counseling Organizations • Initial Privacy Notice*
<p>Closing disclosures CD must be delivered 3 business days prior to closing.</p>	<ul style="list-style-type: none"> • Closing Disclosure (CD) • Initial Escrow Statement
<p>Ongoing</p>	<ul style="list-style-type: none"> • Annual Escrow Analysis • Notice of Transfer (servicing) • Annual Privacy Notice • Escrow Cancellation Notice

RESPA Phase – Subordinate Loan Disclosures

- Most subordinate mortgages are exempt from disclosure requirements under TRID and RESPA, but not TILA
- Must provide TIL disclosure statement, but not GFE or Loan Estimate
- Should also include [supplemental disclosure](#) for further transparency

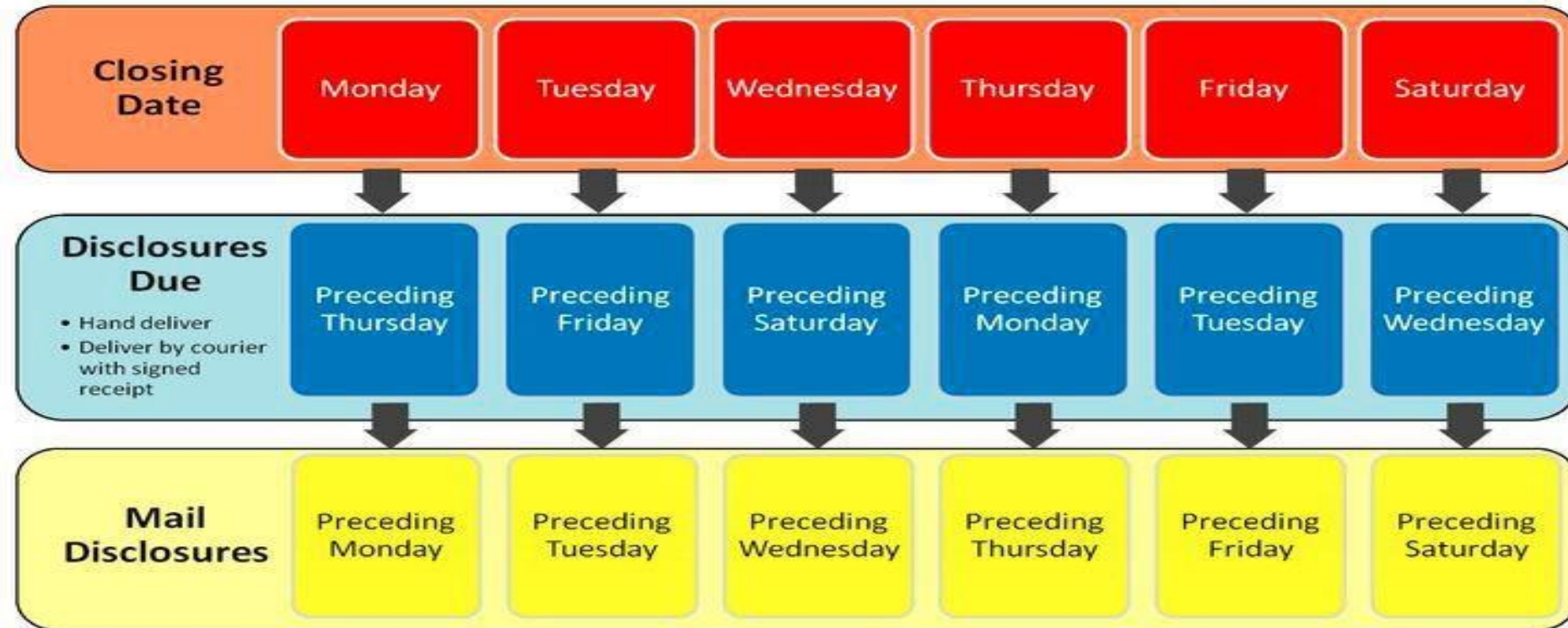
TRID Closing Disclosure Delivery

www.alta.org/cfpb/

Three-Day Closing Disclosure Rule



American Land
Title Association
Protecting the American Dream Since 1907



Note: If a federal holiday falls in the three-day period, add a day for disclosure delivery.

The three-day period is measured by days, not hours. Thus, disclosures must be delivered three days before closing, and not 72 hours prior to closing.

Disclosures may also be delivered electronically on the disclosures due date in compliance with E-Sign requirements.