



CLOSE ON TIME

On October 3, 2015, the U.S. Consumer Financial Protection Bureau (CFPB) will replace two forms: the **HUD-1 Settlement Statement** with **Closing Disclosure** and **Good Faith Estimate** with **Loan Estimate**. Please note the steps below to help prevent a delay in your closing.

1

APPROVE Your Loan Estimate

Loan Estimates expire after ten business days. You must complete the steps required by your lender to express your intent to proceed or your loan application could be closed as incomplete. If this happens you will likely need to start over with a new application & your closing may be delayed.

2

KNOW Who is Providing Your CLOSING Disclosure

Previously, HUD-1 Settlement Statements were most often provided by the title company. However, lenders may now choose to provide the Closing Disclosure. Find out if your lender or the title company will provide your Closing Disclosure, and what is your “window” (time frame) for change requests. Keep in mind that no matter who prepares or provides your Closing Disclosure, your lender is accountable for its accuracy and will need to approve the final version.

3

AVOID a 3 Business Day Delay

Your Closing Disclosure should be provided to you 3 business days prior to closing. However, if you require significant changes, a new 3 business day review period will be required which will delay your closing. Significant changes include: **(1)** The APR increases by more than 1/8 of a percent for regular loans (most fixed-rate loans) or 1/4 of a percent for irregular loans (most adjustable loans). **(2)** A prepayment penalty is added, making it expensive to refinance or sell. **(3)** The basic loan product changes, such as a switch from fixed rate to adjustable interest rate or to a loan with interest-only payments.

NAME

COMPANY NAME

PHONE

EMAIL

