Know Before You Close

What You Need to Know About the CFPB and How It Affects You

PROVIDED BY:

1968

Truth in Lending Act (TILA)

Federal Reserve Board enacts TILA to promote the informed use of consumer credit with clear disclosure of terms.

1974

Real Estate Settlement Procedures Act (RESPA)

Congress passes RESPA to prevent kickbacks and fee-splitting in real estate transactions.

2010

Dodd-Frank Wall Street Reform & Consumer Protection Act

Instead of consumer protection powers being scattered across the federal government, they are now under one roof. A new agency is created to ensure prices and risks are clear and that consumers understand their financial commitments.

WHAT IS THE CFPB?

Consumer Financial Protection Bureau

Created to protect consumers and make financial products easier to understand and compare.

2013

CFPB publishes its final rule reviving the two new combined forms.

5 Things You Need to Know Before August 2015

Important Things to Know and How They Change Real Estate Transactions

- Be able to explain the new Loan Estimate and Closing Disclosure forms.
- Timing of closings is impacted by new disclosure delivery rules.
- Title fees may need to be adjusted and explained at closing.
- There are now 7 "fee areas" – line numbers have been removed.
- Your client will likely receive more than one Closing Disclosure.

Closing Calendar Changes


3 Day Delivery

First Day: Delivery of Closing Disclosure

3 Day Waiting

First Day: Commitment Fee

Three-Day Right of Rescission

Depository Institutions

First Day: Commitment Fee

First Day: Commitment Fee

First Day: Commitment Fee