

BCG Monthly Telephone Briefing

August 2017

July 2017 Final TRID Amendments and Proposed “Black Hole” Amendment

On July 6, 2017 the Consumer Financial Protection Bureau (CFPB) issued extensive final amendments to the TILA-RESPA Integrated Disclosures (TRID) rule in Regulation Z. The final rule was published in the Federal Register on August 11, 2017 and will become effective 60 days thereafter on October 10, 2017. 82 FR 37656. Compliance will not be mandatory, however, until October 1, 2018.

The July 2017 amendments make a large number of mainly technical corrections to TRID. Some are helpful to understanding, some less so. Some of the more significant changes are: (i) adding a tolerance for the Total of Payments disclosure; (ii) slightly expanding the exemption from TRID for certain homeowner assistance loans; and (iii) making TRID applicable to all residential cooperative units, regardless of whether they are treated as real property under state law. The rule also clarifies that when a loan is made to a trust created for tax or estate purposes (that is, most family trusts), the disclosures may be given to the trustee on behalf of the trust. This will be convenient for creditors. However, on rescindable transactions the agency continues to insist that the rescission notices and TRID Closing Disclosures be given to “all consumers who are entitled to rescind” without ever clarifying who has the right to rescind when the property is held in trust.

Cooperatives. The amendments provide that loans secured by residential cooperative units will be covered by TRID, regardless of whether the unit is treated as real property under state law. This change will have little practical impact in California because California law provides that all interests in residential stock cooperatives are real property (Civil Code Section 783.1). Thus in California loans secured by co-op units have been covered by TRID since its inception in October 2015.

Black Hole. Also on July 6, 2017 the CFPB issued a short proposed rule to try once again to resolve the “black hole” that occurs when a consumer asks for a rate-lock extension within three days of closing, when it is too late to give a new Loan Estimate but too soon to give a revised Closing Disclosure. 82 FR 37794.

We will discuss the new amendments which run to over 130 pages in the Federal Register at our August 2017 BCG Monthly Telephone Briefing. The discussion can serve as an early foundation for understanding the amendments when they finally become mandatory on October 1, 2018.



BCG Monthly Telephone Briefing

Friday, August 18
12:00 – 1:30 p.m.
(with live Q&A)

Presented by
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Aldrich & Bonnefin is hosting a Monthly Telephone Briefing for Bankers' Compliance Group® Members on **Friday, August 18, 2017**. This meeting will be presented live and will include a question and answer session. Members can ask questions by telephone or email. Each member that registers for the Monthly Telephone Briefing will be given a password and instructions to call in to the Briefing.

ORGANIZE YOUR PARTICIPANTS

BCG Main or Registration Contacts are encouraged to organize multiple attendees to participate at one location or several locations concurrently. In this manner, several attendees can be accommodated in one conference room with a speakerphone. All Briefing connections are included in your BCG Membership.

REGISTRATION

To register, please contact your institution's BCG Main or Registration Contact or, if authorized, log in at <https://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." Registration closes at noon **two business days** prior to the Briefing date. On the day before the Briefing, registrants will receive an email with call-in instructions and single-use PIN.

CD-Rom: Members can also register to receive a CD-Rom package. This package, which includes any Handouts, is mailed to registrants approximately 2-3 weeks after the Briefing.

DOWNLOAD THE HANDOUTS

The Handouts are *generally* posted on the BCG Website by noon on the business day before the Briefing. All registrants will receive an email notification when the Handouts are posted. To download a Handout, go to <https://www.bankerscompliancegroup.com/monthly-telephone-briefing.php> and click on the "Download Handout Here" link at the end of each Briefing description.

CANCELLATION

It is not necessary for registrants to contact BCG if they cannot attend a Briefing and need to cancel their registration.

SIGN UP ANNUALLY

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MISSED THE BRIEFING?

Should you or others at your institution miss the briefing, you can tune into our streaming audio available on the BCG website one week after the Briefing, at www.bankerscompliancegroup.com/listen-while-you-work.php.