



September 1, 2016
TRID FAQ #11

Q: When do you disclose the last revised LE and initial CD?

A: Let's breakdown the regulation on this, which is §1026.19(e)(4) –

1. *"The creditor shall not provide a revised version of the disclosures required under paragraph (e)(1)(i) of this section on or after the date on which the creditor provides the disclosures required under paragraph (f)(1)(i) of this section."* (Note: (e)(1)(i) is the LE and (f)(1)(i) is the CD)

This means the LE cannot be delivered/provided the on the same day or after the initial CD is delivered/provided. Example: If the revised LE is delivered to the borrower on Tuesday, the earliest day that the initial CD can be delivered to the borrower is Wednesday.

2. *"The consumer must receive a revised version of the disclosures required under paragraph (e)(1)(i) of this section not later than four business days prior to consummation."*

This means the borrower must receive that revised LE at least 4 business days prior to closing/signing. Example: In order to close/sign on Friday, the revised LE must be received no later than Monday (and then the initial CD delivered and received on Tuesday).

3. *If the revised version of the disclosures required under paragraph (e)(1)(i) of this section is not provided to the consumer in person, the consumer is considered to have received such version three business days after the creditor delivers or places such version in the mail.*

There are 3 ways to deliver the LE or CD to the borrower: in person, electronically and by mail. When delivered electronically or by mail, we can assume the borrower received the LE or CD using the mailbox rule (i.e.. the borrower received the documents 3 business days after sent electronically or places it in the mail). To use this assumption when delivered electronically, the borrower must give E-Sign Consent, which means the borrower has given authorization to send disclosures electronically. When there is evidence that the borrower received the LE or CD earlier, the mailbox rule is not required.

This is not meant to be legal advice. Please seek legal counsel as you implement TRID.

***Please contact your Correspondent National Sales Manager
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