



March 3, 2016

**Q: What are the timing requirements for the revised LE?**

**A:** There are multiple requirements to consider for a revised LE:

- Revised LE must be disclosed within 3 days of the valid changed circumstance
- The revised LE cannot be provided by the lender on or after the date the initial CD is provided
- The revised LE must be *received* by the borrower(s) no later than 4 business days prior to closing/signing

**Written List of Service Provider Q&As:**

**Q: If the lender did not disclose the Written List of Service Providers, what tolerance are the fees in Section C of the Loan Estimate?**

**A:** If the lender allowed the borrower to shop for the service providers, however the lender failed to disclose the Written List of Service Providers within 3 days of the application date, the fees in Section C are 10% tolerance (as long as the provider chosen is not an affiliate of the creditor, which is zero tolerance). For auditing purposes, the lender needs to provide a signed LOE confirming they permitted the borrower to shop for the provider.

**Q: If the lender did disclose the Written List of Service Providers in the required timeframe, however the Written List is missing services that are disclosed in Section C of the Loan Estimate, what tolerance are the fees in Section C?**

**A:** The fact that the lender did disclose the Written List means that the lender allowed the borrower to shop for the service providers, however since the Written List is incomplete, the fees in Section C are 10% tolerance even if the borrower chooses a provider that is not on the Written List (as long as the provider chosen is not an affiliate of the creditor, which is zero tolerance).

**Q: Are all services in Section C of the LE required to be listed on the Written List of Service Providers?**

**A:** Yes. Although there's discussion in the industry about it being possible to not require all services to be disclosed on the Written List, the TRID Rule is clear regarding the requirement that "*The creditor must identify at least one available provider for each settlement service for which the consumer is permitted to shop.*" Until an official interpretation is released by the CFPB allowing for the Written List to not disclose all services, we will need to follow the TRID Rule as written and require that every service in Section C of the LE be on the Written List, otherwise the Written List is considered incomplete and the 10% tolerance applies even if the borrower chooses a provider that is not on the Written List (as long as the provider chosen is not an affiliate of the creditor, which is zero tolerance).

**Q: Are estimates required on the Written List of Service Providers for each service listed?**

**A:** No. The Preamble to the TRID Rule addresses this question: The Rule "...*does not require creditors to list the estimated fees of the service providers, although form H-27(A) of appendix H to Regulation Z adopted in this final rule does provide creditors the space to do so.*"

**Q: Are lenders permitted to send a different version of the Written List of Service Providers rather than the model form H-27?**

**A:** Yes, however the Written List must adhere to the requirements listed below.

**CMG requirements for the Written List of Service Providers:**

1. Identify at least one available provider for each settlement service for which the consumer is permitted to shop. The identified providers must correspond to the disclosure in the Loan Estimate of the services for which the consumer may shop. Each identified provider must actually be available to provide the applicable service. For example, a creditor would not comply with the Rule by identifying in the list on providers that are no longer in business or that do not provide services where the consumer or property is located.
2. Provide sufficient information to allow the consumer to contact each identified provider, such as the name under which the provider does business and the provider's address and telephone number. Only disclose providers who are still in business and who provide services where the consumer or property is located.
3. State that the consumer may choose a different provider for the service. The Model Language for this Statement is: "*You can select these providers or shop for your own providers.*" CMG recommends using this Model language.
4. Provide the Written List to the consumer in accordance with the Loan Estimate disclosure timing requirements.
5. The Title fees must be formatted in accordance to how the Settlement Service fee for which the Consumer can shop is formatted on the Loan Estimate. Please refer to Model Form H-27B for illustration and example.
6. You may include an affiliate on the Written List. If you include an affiliate on the written list, you must comply with all applicable RESPA requirements.

**CMG Financial TRID Webinar- Save the Date!**

**CMG TRID Updates and FAQ-Wednesday, March 23, 2016 10:00 AM (PT)  
Registration is required. Future announcement forthcoming with details.**

*This document includes FAQs regarding TRID Rule and is not meant to be legal advice. Please seek counsel as you implement TRID.*

***Please contact your Correspondent National Sales Manager  
or Correspondent Liaison with any questions.***



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