

New Regulatory Changes Effective July 30, 2009

Changes Help Ensure Well-Informed Consumers

- Improve timeliness and effectiveness of disclosures
- Provide waiting period to make informed decision
- Protect consumers from deceptive lending practices

RESPA Waiting Period of Seven Days Required Before Loan Closes

- Loan may close on or after 7th business day from *issuance* of initial RESPA package (with property identified)
- Transferred applications from other lenders are subject to this waiting period
- Closing dates in Sales Contracts must consider waiting period

Example: Initial RESPA Disclosure Waiting Period

Action	Mail	Email
RESPA Disclosures Issued (w/ property)	Friday, August 7	Friday, August 7
Earliest Closing Date	Monday, August 17*	Monday, August 17*

Reissued TIL Requires Three Day Waiting Period

- APR increases outside of tolerance during loan process require reissuance of TIL
 - .125% (Fixed)
 - .250% (ARM)
- Factors affecting APR
- TIL Comparison performed when loan reviewed for closing
- Reissue TIL, if outside tolerance
- All fees must be accurate (including Attorney's Fees)
- Changes at the closing table affecting final TIL delay closings a *minimum* of 4 days

Factors that can effect the TIL

Unlocked or Change in Rate
 Product Change
 Loan Amount Change
 Closing Date Change
 Change in Fees including Title Fees

Best Practices - Homebuyer	Best Practices - Realtor
Identify final loan product and loan amount at application. Make changes only when necessary	Encourage closing agent to provide Heartland with fees early in the loan process
Lock your interest rate and points early in the process	Set appropriate expectations with client regarding closing dates
Provide all documentation requested by Heartland as soon as possible	Counsel client regarding impact of changes to APR which could affect closing
Authorize Heartland to email disclosures and appraisal	Coach your client, the homebuyer, to follow his "best practices"
Open email when received	Notify Loan Officer of Closing Agent as soon as possible



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