

To All Clients and Friends,

HUD has developed a new GFE and HUD-1. Here are links to their fillable versions:

GFE: <http://www.hud.gov/offices/hsg/ramh/res/gfeform.pdf>

HUD1: <http://www.hud.gov/offices/hsg/ramh/res/hud1form.pdf>

The new GFE must be used on or before January 1, 2010. The new HUD-1 or HUD-1A must be used for all transactions in which the new GFE is used.

Here is a link to the new rules which were published November 17, 2008:

<http://www.hud.gov/offices/hsg/ramh/res/finalrule.pdf>

In pertinent part the new rules provide:

**§ 3500.7 Good faith estimate or GFE.**

*(a) Lender to provide.*

(1) Except as otherwise provided in paragraphs (a), (b), or (h) of this section, not later than 3 business days after a lender receives an application, or information sufficient to complete an application, the lender must provide the applicant with a GFE. In the case of dealer loans, the lender must either provide the GFE or ensure that the dealer provides the GFE.

(2) The lender must provide the GFE to the loan applicant by hand delivery, by placing it in the mail, or, if the applicant agrees, by fax, e-mail, or other electronic means.

(3) The lender is not required to provide the applicant with a GFE if, before the end of the 3-business-day period:

(i) The lender denies the application;

or

(ii) The applicant withdraws the application.

(4) The lender is not permitted to charge, as a condition for providing a GFE, any fee for an appraisal, inspection, or other similar settlement service. The lender may, at its option, charge a fee limited to the cost of a credit report. The lender may not charge additional fees until after the applicant has received the GFE. If the GFE is mailed to the applicant, the applicant is considered to have received the GFE 3 calendar days after it is mailed, not including Sundays and the legal public holidays specified in 5 U.S.C. 6103(a).

(5) The lender may at any time collect from the loan applicant any information that it requires in addition to the required application information. However, the lender is not permitted to require, as a condition for providing a GFE, that an applicant submit supplemental documentation to verify the information provided on the application.

*(b) Mortgage broker to provide.*

(1) Except as otherwise provided in paragraphs (a), (b), or (h) of this section, either the lender or the mortgage broker must provide a GFE not later than 3 business days after a mortgage broker receives either an application or information sufficient to complete an application. The lender is responsible for ascertaining whether the GFE has been provided. If the mortgage broker has provided a GFE, the lender is not required to provide an additional GFE.

- (2) The mortgage broker must provide the GFE by hand delivery, by placing it in the mail, or, if the applicant agrees, by fax, email, or other electronic means.
- (3) The mortgage broker is not required to provide the applicant with a GFE if, before the end of the 3-business-day period:
- (i) The mortgage broker or lender denies the application; or
  - (ii) The applicant withdraws the application.
- (4) The mortgage broker is not permitted to charge, as a condition for providing a GFE, any fee for an appraisal, inspection, or other similar settlement service. The mortgage broker may, at its option, charge a fee limited to the cost of a credit report. The mortgage broker may not charge additional fees until after the applicant has received the GFE. If the GFE is mailed to the applicant, the applicant is considered to have received the GFE 3 calendar days after it is mailed, not including Sundays and the legal public holidays specified in 5 U.S.C. 6103(a).
- (5) The mortgage broker may at any time collect from the loan applicant any information that it requires in addition to the required application information. However, the mortgage broker is not permitted to require, as a condition for providing a GFE, that an applicant submit supplemental documentation to verify the information provided on the application.

*(c) Availability of GFE terms.*

Except as provided in this paragraph, the estimate of the charges and terms for all settlement services must be available for at least 10 business days from when the GFE is provided, but it may remain available longer, if the loan originator extends the period of availability. The estimate for the following charges are excepted from this requirement: the interest rate, charges and terms dependent upon the interest rate, which includes the charge or credit for the interest rate chosen, the adjusted origination charges, and per diem interest.

*(d) Content and form of GFE.*

The GFE form is set out in Appendix C to this part. The loan originator must prepare the GFE in accordance with the requirements of this section and the Instructions in Appendix C to this part. The instructions in Appendix C to this part allow for flexibility in the preparation and distribution of the GFE in hard copy and electronic format.

*(e) Tolerances for amounts included on GFE.*

- (1) Except as provided in paragraph (f) of this section, the actual charges at settlement may not exceed the amounts included on the GFE for:
- (i) The origination charge;
  - (ii) While the borrower's interest rate is locked, the credit or charge for the interest rate chosen;
  - (iii) While the borrower's interest rate is locked, the adjusted origination charge; and
  - (iv) Transfer taxes.
- (2) Except as provided in paragraph (f) below, the sum of the charges at settlement for the following services may not be greater than 10 percent above the sum of the amounts included on the GFE:
- (i) Lender-required settlement services, where the lender selects the third party settlement service provider;
  - (ii) Lender-required services, title services and required title insurance, and owner's title insurance, when the borrower uses a settlement service provider identified by the loan originator; and
  - (iii) Government recording charges.

(3) The amounts charged for all other settlement services included on the GFE may change at settlement.

*(f) Binding GFE.*

The loan originator is bound, within the tolerances provided in paragraph (e) of this section, to the settlement charges and terms listed on the GFE provided to the borrower,

unless a new GFE is provided prior to settlement consistent with this paragraph (f). If a loan originator provides a revised GFE consistent with this paragraph, the loan originator must document the reason that a new GFE was provided. Loan originators must retain documentation of any reasons for providing a new GFE for no less than 3 years after settlement.

*(1) Changed circumstances affecting settlement costs.*

If changed circumstances result in increased costs for any settlement services such that the charges at settlement would exceed the tolerances for those charges, the loan originator may provide a revised GFE to the borrower. If a revised GFE is to be provided, the loan originator must do so within 3 business days of receiving information sufficient to establish changed circumstances. The revised GFE may increase charges for services listed on the GFE only to the extent that the changed circumstances actually resulted in higher charges.

*(2) Changed circumstances affecting loan.*

If changed circumstances result in a change in the borrower's eligibility for the specific loan terms identified in the GFE, the loan originator may provide a revised GFE to the borrower. If a revised GFE is to be provided, the loan originator must do so within 3 business days of receiving information sufficient to establish changed circumstances.

*(3) Borrower-requested changes.*

If a borrower requests changes to the mortgage loan identified in the GFE that change the settlement charges or the terms of the loan, the loan originator may provide a revised GFE to the borrower. If a revised GFE is to be provided, the loan originator must do so within 3 business days of the borrower's request.

*(4) Expiration of original GFE.*

If a borrower does not express an intent to continue with an application within 10 business days after the GFE is provided, or such longer time specified by the loan originator pursuant to paragraph (c) above, the loan originator is no longer bound by the GFE.

*(5) Interest rate dependent charges and terms.*

If the interest rate has not been locked by the borrower, or a locked interest rate has expired, the charge or credit for the interest rate chosen, the adjusted origination charges, per diem interest, and loan terms related to the interest rate may change. If the borrower later locks the interest rate, a new GFE must be provided showing the revised interest rate-dependent charges and terms. All other charges and terms must remain the same as on the original GFE, except as otherwise provided in paragraph (f) of this section.

*(6) New home purchases.*

In transactions involving new home purchases, where settlement is anticipated to occur more than 60 calendar days from the time a GFE is provided, the loan originator may provide the GFE to the borrower with a clear and conspicuous disclosure stating that at any time up until 60 calendar days prior to closing, the loan originator may issue a revised GFE. If no such separate disclosure is provided, the loan originator cannot issue a revised GFE, except as otherwise provided in paragraph (f) of this section.

*(g) GFE is not a loan commitment.*

Nothing in this section shall be interpreted to require a loan originator to make a loan to a particular borrower. The loan originator is not required to provide a GFE if the loan originator does not have available a loan for which the borrower is eligible.

\* \* \* \* \*

*(i) Violations of section 5 of RESPA (12 U.S.C. 2604).*

A loan originator that violates the requirements of this section shall be deemed to have violated section 5 of RESPA. If any charges at settlement exceed the charges listed on the GFE by more than the permitted tolerances, the loan originator may cure the tolerance violation by reimbursing to the borrower the amount by which the tolerance was

exceeded, at settlement or within 30 calendar days after settlement. A borrower will be deemed to have received timely reimbursement if the loan originator delivers or places the payment in the mail within 30 calendar days after settlement.

**§ 3500.8 Use of HUD-1 or HUD-1A settlement statements.**

*(a) Use by settlement agent.*

The settlement agent shall use the HUD-1 settlement statement in every settlement involving a federally related mortgage loan in which there is a borrower and a seller. For transactions in which there is a borrower and no seller, such as refinancing loans or subordinate lien loans, the HUD-1 may be utilized by using the borrower's side of the HUD-1 statement. Alternatively, the form HUD-1A may be used for these transactions. The HUD-1 or HUD-1A may be modified as permitted under this part. Either the HUD-1 or the HUD-1A, as appropriate, shall be used for every RESPA-covered transaction, unless its use is specifically exempted. The use of the HUD-1 or HUD-1A is exempted for open-end lines of credit (home-equity plans) covered by the Truth in Lending Act and Regulation Z.

*(b) Charges to be stated.*

The settlement agent shall complete the HUD-1 or HUD-1A, in accordance with the instructions set forth in Appendix A to this part. The loan originator must transmit to the settlement agent all information necessary to complete the HUD-1 or HUD-1A.

*(1) In general.*

The settlement agent shall state the actual charges paid by the borrower and seller on the HUD-1, or by the borrower on the HUD-1A. The settlement agent must separately itemize each third party charge paid by the borrower and seller. All origination services performed by or on behalf of the loan originator must be included in the loan originator's own charge. Administrative and processing services related to title services must be included in the title underwriter's or title agent's own charge. The amount stated on the HUD-1 or HUD-1A for any itemized service cannot exceed the amount actually received by the settlement service provider for that itemized service, unless the charge is an average charge in accordance with paragraph (b)(2) of this section.

*(2) Use of average charge.*

(i) The average charge for a settlement service shall be no more than the average amount paid for a settlement service by one settlement service provider to another settlement service provider on behalf of borrowers and sellers for a particular class of transactions involving federally related mortgage loans. The total amounts paid by borrowers and sellers for a settlement service based on the use of an average charge may not exceed the total amounts paid to the providers of that service for the particular class of transactions.

(ii) The settlement service provider shall define the particular class of transactions for purposes of calculating the average charge as all transactions involving federally related mortgage loans for:

(A) A period of time as determined by the settlement service provider, but not less than 30 calendar days and not more than 6 months;

(B) A geographic area as determined by the settlement service provider; and

(C) A type of loan as determined by the settlement service provider.

(iii) A settlement service provider may use an average charge in the same class of transactions for which the charge was calculated. If the settlement service provider uses the average charge for any transaction in the class, the settlement service provider must use the same average charge in every transaction within that class for which a GFE was provided.

(iv) The use of an average charge is not permitted for any settlement service if the charge for the service is based on the loan amount or property value. For example, an average charge may not be used for transfer taxes, interest charges, reserves or escrow, or any type of insurance, including mortgage insurance, title insurance, or hazard insurance.

(v) The settlement service provider must retain all documentation used to calculate the average charge for a particular class of transactions for at least 3 years after any settlement for which that average charge was used.

(c) *Violations of section 4 of RESPA (12 U.S.C. 2604).*

A violation of any of the requirements of this section will be deemed to be a violation of section 4 of RESPA. An inadvertent or technical error in completing the HUD-1 or HUD-1A shall not be deemed a violation of section 4 of RESPA if a revised HUD-1 or HUD-1A is provided in accordance with the requirements of this section within 30 calendar days after settlement.

**P&P Comment:** It is now very important to get the most accurate settlement cost information from the settlement agent/title company and any other required settlement service providers. It is especially important if the borrower selects the provider that was indicated on the loan originator's list. **Our Settlement Charge Quote Request (To Settlement Agent from Loan Originator)(Title Co) and our Settlement Charge Quote Request (To Settlement Service Provider from Loan Originator)(Non-Title Co) both can be used to acquire the necessary information from the settlement agent and other required settlement service providers.**

**Links:**

- <http://www.ppdocs.com/Resource/Settlement%20Charge%20Quote%20Request-Settlement%20Agent.pdf>

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On November 13<sup>th</sup> HUD announced that for the first four months of 2010 it would exercise "restraint" in enforcing the new regulatory requirements, but never-the-less expected settlement agents and lenders to use the new forms. HUD "We will work with those who are making an honest effort to work with us as we implement these important new consumer protections,": [http://portal.hud.gov/portal/page/portal/HUD/press/press\\_releases\\_media\\_advisories/2009/HUD.No.09-215](http://portal.hud.gov/portal/page/portal/HUD/press/press_releases_media_advisories/2009/HUD.No.09-215)

HUD hopes the new forms will allow borrowers to be "better informed" and promote more shopping. i.e. the new GFE shopping cart!!! The new thought is "less itemization is better." Many fees are now "rolled up" and not itemized for RESPA purposes.

HUD has periodically issued some RESPA FAQs that are very helpful in understanding the new requirements: <http://www.hud.gov/offices/hsg/ramh/res/resparulefaqs.pdf>

All the RESPA FAQs are a "must read" for all settlement agents and loan originators. However, here are some of my favorites that I think merit special attention and/or comment. These are from HUD's November 19, 2009 FAQs :

### **General**

3) **Q:** Can a loan originator e-mail a GFE to a borrower?

**A:** Yes; as long as the borrower consents and the other specific requirements for consumer disclosures under the Electronic Signatures in Global and National Commerce Act (ESIGN) are met, a loan originator may e-mail, fax, or send by other electronic means the GFE (and other RESPA disclosures, such as the HUD-1/1A). See section 101(c) of ESIGN, 15 U.S.C. § 7001(c); also see 24 CFR § 3500.23. The loan originator may also continue to deliver the GFE to the borrower by hand delivery or by placing it in the mail, as provided by RESPA.

**P&P Comment:** Our new “P&P GFE/HUD-1 Express Solution” described below includes the ability to send the GFE via E-SIGN compliant procedures.

## **GFE**

- 6) **Q:** What fees can a loan originator charge before issuing a GFE?  
**A:** Prior to issuing a GFE, the loan originator may, at its option, collect a fee limited to the cost of a credit report.
- 10) **Q:** At what point can a loan originator charge a loan applicant fees for services other than the cost of obtaining a credit report?  
**A:** After a loan applicant both receives a GFE and indicates an intention to proceed with the loan covered by the GFE, the loan originator may collect fees beyond the cost of a credit report for origination-related services.

## **GFE – Written list of providers**

- 1) **Q:** When do loan originators have to provide the borrower with a written list of identified providers?  
**A:** When a loan originator permits a borrower to shop for third-party settlement services, the loan originator must provide the borrower with a written list of settlement services providers at the time of the GFE, on a separate sheet of paper.

**P&P Comment:** Our new “P&P GFE/HUD-1 Express Solution” described below will produce the required “Written List of Settlement Services Providers”.

- 6) **Q:** In lieu of providing the “written list” of providers, may the loan originator disclose to the borrower that if they specifically wish to shop for their own provider, but have difficulty finding a provider for a service at the disclosed price that they may contact the loan originator to ask the loan originator to identify a provider?  
**A:** No. Where a loan originator permits a borrower to shop for third party settlement services, the loan originator must provide the borrower with a written list of settlement service providers at the time of the GFE, on a separate sheet of paper.
- 7) **Q:** Must the loan originator provide names only of those settlement service providers known to do business in the locality of the mortgage property or may the loan originator provide a list of national settlement service providers who may or may not do business in the locality of the mortgaged property?  
**A:** The requirements for the new GFE form provide that “[w]here the loan originator permits a borrower to shop for third party settlement services, the loan originator must provide the borrower with a written list of settlement services providers.” The list should contain settlement service providers that are likely available to provide the settlement service for the borrower.
- 10) **Q:** Does the requirement for a “written list” apply to Block 4, “Title services and lender’s title insurance” on the GFE?  
**A:** Yes. The loan originator must provide a “written list” of settlement service providers, including providers of “Title services and lender’s title insurance” if the loan originator permits the borrower to shop for that settlement service.

## **GFE – Important dates**

1) **Q:** In the “Important dates” section of the GFE, where it states “The interest rate for this GFE is available through \_\_\_\_\_”, does the loan originator have to leave the interest rate open for a specific amount of time, like 10 days?

**A:** There are no restrictions on the amount of time the interest rate must remain available. The interest rate can be available for any period of time that the loan originator chooses, including for example, a period of time within one day or for several days.

2) **Q:** In the “Important dates” section of the GFE, line 2, for how long must the estimate for all other settlement charges be available?

**A:** The estimate for “all other settlement charges” in the “Important dates” section of the GFE must be available for at least ten business days.

## **GFE – Block 1**

5) **Q:** If a loan originator contracts loan document preparation to a third party, is this a separate charge on the GFE and the HUD-1?

**A:** No, loan document preparation is a processing and administrative service in the origination of a loan and is included in Block 1 of the GFE, “Our origination charge” (and in Line 801 of the HUD-1), and may not be separately itemized. See 24 CFR § 3500.8(b)(1).

**P&P Comment:** Effective January 1, 2010 our document preparation/attorney fee will be included in the Loan Originator’s “Our origination charge”. On the HUD-1/HUD-1A we will request the Settlement Agent to disclose our fee outside the borrower column as “\$150.00” to satisfy unauthorized practice of law requirements if the Property is located in a state that requires attorneys to prepare the applicable loan documents. If we are preparing the loan closing instructions we will also instruct the settlement agent to “net fund” our fee from the indicated “Our origination charge.”

6) **Q:** Are attorney’s fees charged to prepare loan documents for the lender considered part of the charge for origination services disclosed on Block 1 of the GFE?

**A:** Yes, attorney’s fees charged to prepare loan documents for the lender are considered part of the charge for origination services disclosed on Block 1 of the GFE and should not be separately itemized.

## **GFE – Block 4**

2) **Q:** Are delivery fees included in “Title services” and therefore included in Block 4 of the GFE?

**A:** Yes, delivery fees are included in the definition of “title services” and are included in the charge shown in Block 4 of the GFE.

4) **Q:** Does “title services” include the settlement fee?

**A:** Yes, “Title services” is defined to include the service of conducting a settlement. See 24 CFR § 3500.2.

5) **Q:** How is the charge for conducting the settlement disclosed on the GFE?

**A:** The charge to the borrower for conducting the settlement must be included in the total of the charges in Block 4 for “Title services and lender’s title insurance”.

**P&P Comment:** With these amendments HUD is only changing RESPA rules and the related RESPA disclosures. The Federal Reserve Board oversees Truth-In-Lending and Regulation Z related rules. Consequently, the requirements to consider the Reg Z impact of certain fees like escrow fees and certain courier and express mail fees are still necessary. However, a loan originator no longer can use a preliminary or final HUD-1/HUD-1A to get this data from the settlement agent. Instead that information must come from the settlement agent via some other documentation or communication. Our Settlement Charge Quote Request (To Settlement Agent from Loan Originator) can be used to acquire that information from the settlement agent.

**Link:**

<http://www.ppdocs.com/Resource/Settlement%20Charge%20Quote%20Request-Settlement%20Agent.pdf>

### **GFE – Block 5**

1) **Q:** Do loan originators have to provide a price for Owner’s title insurance on the GFE?

**A:** Loan originators must provide an estimate of the charge for an Owner’s title insurance policy in Block 5, “Owner’s title insurance” on the GFE on all purchase transactions. For non-purchase transactions, the loan originator may enter “NA” or “Not Applicable” in this Block.

2) **Q:** If a seller typically pays for the Block 5, “Owner’s title insurance”, does the charge still have to be shown on the GFE?

**A:** Yes, an estimate of the cost must be shown in Block 5, “Owner’s title insurance” for all purchase transactions regardless of who is selecting or paying for it.

**P&P Comment: REMEMBER YOU MUST NOW QUOTE THE TITLE INSURANCE COSTS EVEN IF THE SELLER HAS AGREED PER THE SALES CONTRACT TO PAY FOR IT. YOU MUST NOW LIST AT LEAST ONE TITLE COMPANY ON YOUR REQUIRED “WRITTEN LIST OF SETTLEMENT SERVICES PROVIDERS.” IF THE BORROWER CHOOSES THE TITLE COMPANY YOU LISTED (AND YOU MUST LIST AT LEAST ONE THAT IS IN THE AREA) THE FINAL TITLE INSURANCE FEES AND CHARGES ON THE HUD-1/HUD-1A MUST BE WITHIN A 10% TOLERANCE FROM THE TITLE INSURANCE FEES (BLOCK 4 OF THE GFE) ESTIMATED ON THE GFE. IF MORE THAN 10% THE LOAN ORIGINATOR MUST CURE BY PAYING THE DIFFERENCE. Our Settlement Charge Quote Request (To Settlement Agent from Loan Originator) can be used to acquire the necessary information from the settlement agent.**

### **HUD-1**

1) **Q:** How are courier and overnight delivery fees shown on the HUD-1 Settlement Statement?

**A:** Courier and overnight delivery fees are considered to be fees for administrative or processing services. They are part of a primary service, such as the origination service or title service, and may not be separately itemized.



## **HUD-1 – Seller-paid items**

1) **Q:** What if at closing the seller is paying for a settlement service that was listed on the GFE, such as the Owner's title insurance policy? How is this shown on the HUD-1?

**A:** If the seller is paying for a service that was on the GFE, such as Owner's title insurance, the charge remains in the borrower's column on the HUD-1. A credit from the seller to the borrower to offset the charge should be listed on the first page of the HUD-1 in Lines 204-209 and Lines 506-509 respectively.

## **HUD-1 – 800 series**

1) **Q:** What charges are included in "Our origination charge" on Line 801 of the HUD-1?

**A:** Line 801 includes all charges received by a loan originator, except for any additional charge ("points") for the interest rate chosen on the loan. The amount on Line 801 also includes all amounts received for any service, including administrative and processing services, performed by or on behalf of the lender or any mortgage broker. (The amount on Line 801 is not listed in the columns.)

2) **Q:** If an attorney prepares loan documents for a lender, where does that charge go on the HUD-1?

**A:** Loan document preparation done on behalf of the loan originator is a processing and administrative service in the origination of a loan and is included in the charge on Line 801 of the HUD-1, and may not be separately itemized. See 24 CFR § 3500.8(b)(1).

## **HUD-1 –1100 series**

3) **Q:** Are document preparation fees included in "title services" or would they appear as separate line item charge in the borrower's column?

**A:** Document preparation fees are part of administrative or processing fees which are included in the charge in Line 1101 of the HUD-1 and may not be separately itemized.

4) **Q:** Are delivery fees included in "Title services" and therefore included in Line 1101 of the HUD-1?

**A:** Yes, delivery fees are included in the definition of "title services" and are included in the charge shown in Line 1101 of the HUD-1.

13) **Q:** If the title agent conducts the settlement, should the charge for conducting the settlement be included in Line 1101 of the HUD-1, with the itemized charge listed outside the column on Line 1102?

**A:** Yes, the charge for conducting the settlement must be included in the total on Line 1101. If the charge is paid to a third party, the charge must be itemized outside of the columns on Line 1102.

18) **Q:** Under the Truth In Lending Act, a settlement or closing fee is generally included in the finance charge, but if a settlement agent charges for a service that the lender does not require and as to which the lender retains no portion of the fee, the fee is not a finance charge. Should fees charged by a settlement agent for services that are not required by the lender or requested by the borrower be listed on Line 1101 and/or Line 1102 on the HUD-1, or separately itemized on a blank line?

**A:** “Title service” is defined to include “the service of conducting a settlement.” If a settlement agent requires an additional service involved in the provision of title insurance, the charge for that service would be included with the total charge on Line 1101 on the HUD-1. If a fee for the additional service is not a processing or administrative service paid to a third party, it must be itemized outside the columns on a blank line in the 1100-series.

HUD cannot interpret regulations promulgated by another federal agency, such as Regulation Z (12 CFR part 226). Please refer to the Board of Governors of the Federal Reserve System for interpretations of Regulation Z.

### **HUD-1 – Page 3**

1) **Q:** How do settlement agents get the information to prepare page 3 of the HUD-1? Do they have to search through all of the loan documents to get this information?

**A:** The lender is required to transmit the information necessary to complete the HUD-1. The instructions for completing the HUD-1 state that the lender must provide information to the settlement agent in a format that permits the settlement agent to simply enter the necessary information to complete the loan terms section on page 3 of the HUD-1 without having to refer to the loan documents.

**P&P Comment:** Our new “P&P GFE/HUD-1 Express Solution” described below will produce the necessary information to send to the settlement agent so the HUD-1 can be properly completed by the settlement agent.

13) **Q:** May a lender transmit the information necessary to prepare page 3 of the HUD-1 to the settlement agent in a streamlined document that looks similar to page 3 of the HUD-1, such as a pro-forma?

**A:** Yes, the lender may transmit the information necessary to prepare page 3 of the HUD-1 to the settlement agent in a streamlined document that looks similar to page 3 of the HUD-1, such as a pro-forma, but the settlement agent must prepare the HUD-1 including page 3.

**AGAIN. IT IS VERY IMPORTANT FOR ALL SETTLEMENT AGENTS AND LOAN ORIGINATORS TO CAREFULLY READ ALL THE HUD RESPA FAQS AND RELATED NEW RULES.**

### **P&P GFE/HUD-1 Express Solution**

We are proud to announce the launch of our new **P&P GFE/HUD-1 Express Solution**.

This new product can be used independent of our pdocs.com traditional web based loan document platform. It is a stand alone product designed to assist those that have existing loan document preparation systems and procedures, but need only the ability to generate the new GFE, HUD-1 and related required forms. It is a web based solution that does not require any software installation or other interface. There are no long term contracts or commitments. Pay for it (\$10) only when you use it. "Legal Authority" and other help features are imbedded. The package produced can include:

- New 2010 GFE
- RESPA New Home Construction Disclosure (Anticipated GFE Revision for New Home Construction)
- Acknowledgement of Receipt of GFE
- Settlement Service Provider List
- Settlement Charge Quote Request (To Settlement Agent from Lender)
- Settlement Charge Quote Request (To Settlement Service Provider from Lender)
- Initial TIL Disclosure
- Calculation and report for Aggregate Escrow Adjustment
- New 2010 HUD-1
- Settlement Statement (HUD-1) Addendum
- Final TIL Disclosure
- APR & Finance Charge Summary
- Itemization of Amount Financed
- Amortization Schedule
- Affidavit Regarding Good Faith Estimate [Required by some investors]
- e-Disclosure secure post delivery.

Unlimited testing. Unlimited redraws.

Thanks!

By: Michael H. Patterson – PeirsonPatterson, LLP

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**THIS MEMORANDUM IS PROVIDED FOR THE GENERAL INFORMATION OF THE CLIENTS AND FRIENDS OF OUR FIRM ONLY AND IS NOT INTENDED AS SPECIFIC LEGAL ADVICE. YOU SHOULD NOT PLACE ANY RELIANCE ON THIS GENERAL INFORMATION ALONE BUT SHOULD ALSO CONSULT YOUR LEGAL COUNSEL REGARDING THE APPLICATION OF THE LAWS AND REGULATIONS DISCUSSED IN THIS MEMORANDUM TO YOUR SPECIFIC CASE OR CIRCUMSTANCES.**

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