

1. The interest rate is available thru _____

I. REG X

Section 3500.7 Good Faith Estimate page 68240

None

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

II. REG X Instructions Appendix C to Part 3500 – Instructions for Completing Good Faith Estimate (GFE Form); Federal Register, page 68253

In Line 1, the loan originator must state the date and, if necessary, time until which the interest rate for the GFE will be available.

Link: http://edocket.access.gpo.gov/cfr_2009/aprqt/24cfr3500AppC.htm

III. HUD RESPA FAQs

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

Q: If the interest rate is locked at the time the GFE is issued, how should the loan originator complete Lines 1, 3, and 4 in the Important dates section on the GFE?

A: Pursuant to the GFE Instructions in Appendix C, if the interest rate is locked before the GFE is issued, the information in Lines 1, 3 and 4 in the Important dates section on the GFE must be completed with the information that corresponds to the locked rate.

Q: If a GFE has been provided and the interest rate has not been locked, can the loan originator provide a revised GFE when the borrower later locks the interest rate?

A: If a borrower who has been provided a GFE later locks the interest rate and there are any changes to interest rate dependent charges or loan terms, a revised GFE must be issued.

Q: If a GFE has been provided and the interest rate has been locked, may the loan originator provide a revised GFE if the borrower requests a different rate lock period?

A: If a borrower requests a change to the mortgage loan identified in a GFE and that request will change the terms of the loan, the loan originator may provide a revised GFE to the borrower.

Q: If a lender does not offer a rate lock, how should Line 1 in the Important Dates section on the GFE be completed?

A: In Line 1, the loan originator must state the date, and if applicable, time until which the interest rate for the GFE will be available. If the rate is not available for any period of time, then Line 1 should state Not Available or NA.

Q: If a loan originator offers a float-down lock option, how would the loan originator complete the Important Dates section on the GFE?

A: A float-down option should not affect any of the lines in the Important Dates section on the GFE.

Q: If a lender accepts a GFE issued by a mortgage broker, may the lender revise the information contained in the Important dates section on the GFE?

A: No, after the lender has accepted the GFE issued by a mortgage broker, the lender may not revise the information contained in the Important dates section on the GFE, unless the revised GFE is issued in compliance with 24 CFR § 3500.7(f).

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

IV. P&P Comment: