

2. The estimate for all of the settlement charges is available thru _____

I. REG X

Sec. 3500.7(c) Good Faith estimate page 68240

(c) *Liability 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.

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

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

In Line 2, the loan originator must state the date until which the estimate of all other settlement charges for the GFE will be available. This date must be at least 10 business days from the date of the GFE

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

III. HUD RESPA FAQs

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.

Q: What charges can change before the interest rate is locked?

A: With the exception of interest rate-dependent charges and terms, the charges and terms for all settlement services on the GFE must be available for 10 business days from when the GFE is provided, or for such longer period of time as the loan originator provides in item 2 of the Important dates section of the GFE. The interest rate-dependent charges and terms cannot change before the expiration of the period indicated by the loan originator in item 1 of the Important dates section of the GFE. Between the period of time indicated in item 1 and item 2 of the Important dates section, only interest rate-dependent charges may change until the interest rate is locked. After the expiration of the period indicated in item 2 of the

Important dates section, the loan originator is permitted to change all of the charges and terms on the GFE (assuming that the interest rate is no longer available, as indicated in item 1 of the Important dates section). Interest rate-dependent charges and terms include: (1) Your charge or credit (points) for the specific interest rate chosen, in Block 2 on page 2 of the GFE; (2) Your adjusted origination charges on Line A on page 2 of the GFE; (3) Daily interest charges in Block 10 of the GFE; and (4) interest rate-related loan terms, such as monthly amount owed

Q: The estimate of all other settlement charges in the Important dates section on the GFE must be available for at least 10 business days. When a GFE is mailed, are the 10 business days measured from when it is mailed?

A: Yes. The estimate of all other settlement charges in the Important dates section on the GFE must be available for at least 10 business days from when the GFE is provided, which, in this instance, is the date the GFE is placed in the mail to the borrower. The originator should put the date the GFE is provided into the box for Date of GFE.

Q: If a revised GFE is provided due to changed circumstances or a borrower requested change, is it necessary to complete Line 2 of the Important Dates section on the revised GFE if the shopping period has ended and the borrower has already expressed intent to continue with the application?

A: The loan originator should not change the 2nd line in Important Dates. It must originally be 10 days but with a change of circumstances that date never changes. It is freezing the fees – not the interest rate. Page 24, HUD FAQ dated 4/10/2010 question 12

Q: If a revised GFE is provided due to changed circumstances or a borrower requested change, is it necessary to complete Line 3 of the Important Dates section of the GFE if the borrower has already locked the rate shown on the revised GFE?

A: Yes, the loan originator must complete Line 3 in the Important dates section with the information that was on the preceding GFE, unless the rate lock period was the basis for the issuance of a revised GFE

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IV. P&P Comment: