

Truth in Lending RESPA Integrated Disclosure (TRID)

Borrower(s):

Date:

Overview

If you have applied for your home loan on October 3, 2015 or later, you will receive new forms that are related to TRID. TRID stands for TILA REPSA Integrated Disclosure Rule. This new law combines several disclosures into two new disclosures, the Loan Estimate (LE) and the Closing Disclosure (CD).

Because of the above changes, not all of the state laws have been updated to reference the new disclosures. During your home loan process you may see disclosures that will reference the new and old disclosures. This guide will help you better understand the changes until the state laws and forms have been updated with the new law.

Loan Estimate (LE)

The first change you will see is the reference to the Loan Estimate (LE). This disclosure combines the Good Faith Estimate (GFE) and Initial Truth in Lending (TIL). It is designed to understand the key features, costs and risks of the mortgage loan. If you see other disclosures reference the GFE or Initial TIL you will know that they are referring to the Loan Estimate.

Closing Disclosure (CD)

The second change comes into effect when you are closing your loan. The Closing Disclosure (CD) is the form that combines the Final TIL, Itemization of Amount Financed and HUD-1 Settlement Statement. The purpose of the closing disclosure is to provide clarity in understanding all of the costs involved in the transaction. When you see disclosures referencing the Final TIL, Itemization of Amount Finance or the HUD-1 Settlement Statement, this is referring to the Closing Disclosure.

In addition, the new law requires that you receive a copy of the CD 3 business days before closing. Making changes to your CD may delay the closing, because some changes require an additional 3 day waiting period.