

Wholesale Announcement

NEW TRUTH IN LENDING/RESPA RULES

The Federal Reserve has established new regulatory guidelines that require new RESPA and TILA changes impacting residential mortgage applications dated July 30, 2009 or later. The key changes are **NEW Disclosure Wait Periods** that include but are not limited to the following:

- 1) The collection of upfront application fees is limited to only a credit report fee until McCue Wholesale has delivered the initial TIL to the mortgage broker's applicant. This delay could range from 3 – 6 days depending upon electronic delivery and receipt versus postal delivery of the initial TIL.
- 2) Prohibit a closing to occur earlier than 7 days after applicant's receipt of the initial TIL.
- 3) Require that a Revised and Final TIL to be delivered if initial APR changes by .125% or more.
- 4) Require that the Revised and Final TIL be received and reviewed by the applicant 3-6 days prior to the closing date depending upon the form of delivery and receipt. This will require earlier receipt by McCue Wholesale of the final fee sheet, and the HUD 1.

The practical implications of these changes alter McCue Wholesale Registration and Rate Lock requirements, forms and procedures. In addition, the final TIL's Wait Period will dictate the closing date, not the attorney, realtor, mortgage broker or the applicant.

We will announce how we are implementing these changes shortly. Please monitor our future announcements.