

# The new mortgage process and timeline

Perhaps the easiest way to understand the new process and timelines required by these regulations for a primary residence or second home financing transaction is with a calendar. Since most transactions are not “rush” deals - but rather close in a 30-60 day timeframe, the calendar below illustrates a desired 30-day close. It is wise to plan for at least a 30-day close.

### Other assumptions in the illustration below:

- The borrower applies on the first of the month.
- The broker/originator locks in the interest rate at least 7 business days prior to the desired close date of the 30th of the month.
- A home equity loan was not added to the transaction (doing so would require the same disclosure timelines to start for the home equity loan).
- The estimated fees increased the APR more than .125% requiring a re-disclosure of the TIL (the revised APR was final).
- The appraisal was ordered and came in at or above value, and the borrower received his or her copy at least 3 business days prior to the desired close date of the 30th of the month.
- The borrower signs and closes on the 30th of the month (the last day of the required final disclosure review period).

**Note:** Saturdays are considered a business day only for the purposes of disclosures, unless they are a federal holiday.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		30 Borrower finalizes contract of sale on a residential property	1 Broker/originator registers and locks the loan (30-day lock)	2	3	4 Federal holiday
5	6 Wells Fargo receives loan package; initial disclosures mailed to borrower initial disclosures Day 0	7 Initial disclosures Day 1	8 Initial disclosures Day 2	9 Initial disclosures Day 3	10 Initial disclosures Day 4 <b>Earliest date allowed to collect upfront fees and request appraisal</b>	11 Initial disclosures Day 5
12	13 Initial disclosures Day 6	14 Initial disclosures Day 7 <b>Earliest date to close per initial disclosure review period</b>	15	16 <b>Ideally rate locked at least 7 business days prior to close</b>	17 Appraisal complete Appraisal Mail Day 0	18 Appraisal Mail Day 1
19	20 Appraisal Mail Day 2	21 Appraisal Mail Day 3 Appraisal Review Day 1	22 Appraisal Review Day 2	23 APR is final TIL must be mailed at least 7 days prior to close. TIL Mail Day 0 Appraisal Review Day 3	24 <b>Earliest date allowed to close per appraisal review period</b> TIL Mail Day 1	25 TIL Mail Day 2
26	27 TIL Mail Day 3 - TIL received TIL Review Day 0	28 TIL Review Day 1	29 TIL Review Day 2	30 TIL Review Day 3 <b>Borrower can sign/close</b>	31	

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