

Working together to ensure timely closings - everyone plays a key role

Borrower	REALTOR®/Builder	Mortgage Broker/ Originator	Settlement Agent/ Attorney
<ul style="list-style-type: none"> • Obtain a credit-checked preapproval before you start to shop for a home. • Review the timeline and potential impacts with your mortgage broker/originator so you can keep your REALTOR® or Builder informed. It is wise to plan for at least a 30-day close. • In the initial disclosure packet you receive, the impacts of the new regulations and investor requirements are outlined. Make sure to pose any questions to your mortgage broker/originator. • Know that these new regulations and investor requirements are in place to ensure you have time to consider your loan choice and feel confident to move forward. • Understand that the interest rate on your loan impacts the APR. This means that until you lock in your rate, an exact APR cannot be determined. Minimally plan on locking at least 7 business days prior to the date you wish to close. • Understand that a change in mortgage product could impact your APR and therefore your estimated closing date. • Understand that changes in fees by third parties such as your settlement agent could also impact your closing date. 	<ul style="list-style-type: none"> • Set realistic expectations upfront and throughout the transaction with the listing agent, the seller and the borrower in regards to potential closing dates. It is wise to plan for at least a 30-day close. • Discuss these new provisions with your settlement agents immediately to avoid unnecessary delays down the road. It is critical that any third party fees that impact the APR are accurate because any change of fees that increases the APR more than .125% will require a re-disclosure of the TIL — allowing 6 business days before the transaction can close. This allows 3 business days for mailing and provides the borrower with the time required to determine if they are comfortable with their loan choice. • Provide the settlement agent information to the mortgage broker/originator as early in the process as possible. • Make sure the borrowers understand that their interest rate impacts their APR and that until that rate is locked (which is at their discretion), the initial TIL will not be accurate, so a subsequent TIL disclosure will likely be needed. 	<ul style="list-style-type: none"> • Help borrowers understand timelines and anything that can impact their closing date including changes to the APR. It is wise to encourage borrowers, REALTORS®, and Builders to plan for at least a 30-day close. • Take applications and help borrowers understand their product options. • Issue borrowers their initial disclosures. • Collect fees and request the appraisal. (Note: fees cannot be collected nor the appraisal requested until 4 business days after the borrower has been issued his or her initial TIL. The only exception is the credit report fee which can be collected at application). • Ensure the loan is locked at least 7 business days prior to the desired close date. • Understand that any change to fees that impacts the APR could lead to a required re-disclosure of the TIL. If the APR increases more than .125% then the lender must re-disclose the TIL before the transaction can close. This allows 3 business days for mailing and provides the borrowers with the time required to determine if they are comfortable with their loan choice. 	<ul style="list-style-type: none"> • Make sure any third party fees that impact the APR are accurate – understanding any change to fees that impact the APR could lead to a required re-disclosure of the TIL (if they collectively increase the APR more than .125%). The re-disclosure requires the borrower be given an additional 3 business days review period prior to closing, after receipt. • Work proactively on providing a preliminary HUD with accurate fees to lenders enabling them to issue the TIL 6 business days prior to the scheduled closing date. This allows 3 business days for mailing and provides the borrowers with the time required to determine if they are comfortable with their loan choice.

The best way to expedite the close is to lock in the rate and fees as soon as possible.

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