



🌸 *Wishing you a wonderful Springtime* 🌸

HMDA Getting it Right!

For the past 20 years, HMDA reporters have been referring to the FFIEC's HMDA Reporting **Getting it Right!** guide for help and clarification. Fortunately, the FFIEC recently shared their 2018 guide. The newest edition has been updated to reflect HMDA changes that became effective at the beginning of the year.

While the 300+ page manual includes a great deal of information and several appendices, we noted that Appendix A, "**Overview of Data Requirements Chart**" is a wonderful resource tool. Besides referencing descriptions and citations for data points, it also includes indicators for reporting "not applicable."

Interested persons can find the 2018 Getting it Right! guide [here](#).

Mortgage Servicing Rule – Amendment

Recently, the CFPB published a new final rule amending certain **mortgage servicing-related provisions**.

More specifically, Regulation Z servicing rules that were issued in 2016 were amended. Upon receiving feedback related to unintended challenges in implementing certain provisions, the CFPB is making adjustments to the **timing** for servicers to transition to providing modified or unmodified periodic statements and coupon books in connection with a **consumer's bankruptcy case**. Related to these provisions, the CFPB is revising the regulation (1026.41(e)(5)(iv)(B) and (C) and related commentary to replace the single-billing cycle exemption with a single-statement exemption. Interested persons can find the new final rule [here](#).

Online Compliance Consulting Update!

The Online Compliance Consulting Dashboard has been enhanced!

- NEW Training – Best Practices for Handling Reg. E Disputes webinar – February 2018
- Updated Alert – Prepaid Accounts
- February 2018 News

To access this information and all other compliance features, go to: <http://compliance.smslp.com/>

TRID Amended Disclosure Rules - Construction Inspection Fees

Recently, we've received multiple questions related a **mortgage disclosure change**. This particular change was included in a rule published in August 2017 that became effective on October 10, 2017, but doesn't have a **mandatory compliance** date until **October 1, 2018**.

The questions received are focused on amended provisions related to the disclosure of **construction inspection and handling fees**. At a high level, the way these fees will be disclosed is based on when they are **paid**.

As the CFPB stated in the preamble to the final rule: *"If construction loan inspection and handling fees are collected **at or before consummation**, they are disclosed in the **loan costs table** and are counted for purposes of the calculating cash to close table. Only if the fees are expected to be collected **after consummation** are they disclosed in an **addendum to the Loan Estimate** and in an **addendum to the Closing Disclosure** and not counted for purposes of the calculating cash to close table."* Related to questions concerning this disclosure, the CFPB shared that they consider **when** fees are paid to be a clearer determinant of when to use an addendum.

Other questions and preamble discussions of interest included the following:

- The use of an addendum to disclose inspection and handling fees collected after consummation should be based on the **best information reasonably available**. If a disclosure becomes inaccurate because of an event that occurs after disclosure, the inaccuracy is **not a violation**.
- The CFPB also addressed questions related to these fees and the **Total of Payments disclosure**. As noted in the preamble, the CFPB agreed that such fees are loan cost charges that must be added to the Total of Payments disclosures on the Loan Estimate and Closing Disclosure.

Interested persons may find the final published rule [here](#).

Convenient and Affordable Compliance Assistance

Do you need help preparing for the upcoming regulatory requirements? SC+S can help with our Online Compliance Consulting services, which combines the ease of online tools with the guidance of a compliance expert.

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- FREE access to our quarterly Be Prepared! webinar series.

For more information or a free demo, contact Rhonda Coggins at 512-703-1509.



Mark your calendar for our next **Be Prepared!** Compliance Update webinar. **NEW DATE** - It is scheduled for **March 29, 2018**.

When available, details may be found on BankersWEB, [here](#).

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