

Mortgage Disclosure Improvement Act Disclosure Flow Chart

Loan Application – Considered Formal App with 6 Pieces of Information

- Names of Borrowers
- Social Security Numbers
- Gross Monthly Income
- Property Address
- Estimate of Value of Property
- Estimated mortgage amount requested

If any one of these pieces of information is missing, it is NOT considered a loan application and no GFE is required.

Collect Credit Report Fee

- If denied due to credit/income at application, no GFE required
- If borrower withdraws applications with 3 days, no GFE required

If Decide to Process: Send GFE 3 Days After Loan Application Taken

- If Mailed – cannot collect additional fees until Day 4
- If Delivered in Person (GFE given face-to-face interview) can collect add'l fees same day

Collect Additional Fees

- Additional fees could be appraisal, commitment, lock in, etc.

7-Day Waiting Period Before Loan Can Be Closed

- Allowed to close ON Day 7
- Allowed to Closed Prior to 7 days with Bona fide Waiver Approval

If Re-Disclosure of GFE

Re-disclosure Triggers

- Fees and charges more than 10%
- APR more than 1.8% for Regular Transactions and ¼% for Irregular Transactions
- Change In Loan Terms

Re-disclosure Mailed or Delivered

- 3-day waiting period deemed to be midnight of the 3rd day
- 3 days to Review – Closing on Day 6
- Cannot close prior to the 7 day waiting period (unless waiver)