



# Expere Residential Lending, Expere Consumer Lending, and Expere TRID Knowledge Base(es)

TILA-RESPA Integrated Disclosures  
(TRID) Implementation Guide

TXN Version

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U.S. Patent is pending on the product described in this publication.

U.S. Patent No. 7,496,840

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## Preface

The Expere Knowledge Base TILA-RESPA Integrated Disclosures Implementation Guide provides additional specific information on how to implement Wolters Kluwer Financial Services' Truth-In Lending, Real Estate Settlement Procedures Act Combined Integrated Disclosures (TRIDs) that are released in the Expere Knowledge Base. The TRIDs are new disclosures promulgated by the Consumer Financial Protection Bureau (CFPB) as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act to combine the Truth-In-Lending Act (TILA) disclosures with the Real Estate Settlement Procedures Act (RESPA) disclosures.

The Expere Knowledge Base TILA-RESPA Integrated Disclosures Implementation Guide, while intended to be a helpful tool, is not a substitute for the legal requirements and official staff commentary of the Loan Estimate, Closing Disclosure and their related ancillary documents as promulgated by the CFPB at 12 C.F.R. Parts 1026.19(e) & (f), 1026.37 and 1026.38. Instead, this TRID Implementation Guide is intended to provide users with information on how to execute the new Loan Estimate, Closing Disclosure, along with their limitations, and their related new Ancillary Documents in Expere. Thus, users who have questions as to the specific requirements of the document should refer to the final regulation and its official staff commentary for guidance.

## How to Use this Document

This guide provides an introduction to Wolters Kluwer Financial Services' core competency: Compliance Intelligence. Wolters Kluwer Financial Services' focused compliance intelligence expertise, enhanced through technology, allows us to deliver the compliance documentation to meet your needs.

- TRID General Overview: refer to this information for a general overview of items that apply to all TILA-RESPA Integrated Disclosure documents.
- Feature Limitations: refer to this information to review more specific details on features or transaction types that are or are not currently supported in the TRIDs.
- Loan Estimate: refer to this information for specific implementation details that apply to the Loan Estimate disclosure.
- Closing Disclosure: refer to this information for specific implementation details that apply to the Closing Disclosure.
- New Ancillary Documents: refer to this information for specific implementation details that apply to the new Ancillary Documents which coincide with the TRIDs.

## Who Should Use This Document?

This guide is intended for enterprise business managers, line of business managers, and compliance staff implementing the TRIDs through Expere Integrated Enterprise (Expere IE) which includes the following product lines: Expere Residential Lending, Expere Consumer Lending, and the Expere TRID Knowledge Base(es) .

Additionally, financial institutions seeking to purchase the Expere IE system will gain insight into the available and planned compliance documentation capabilities of the Expere Knowledge Base through review of this guide.

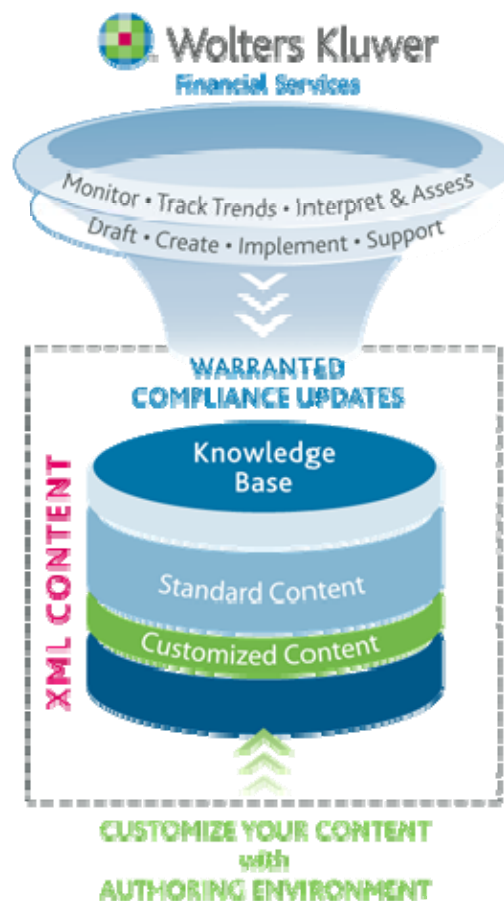
## Compliance Intelligence

Compliance has become a major force in the way today's financial institutions conduct business. As the issues grow more complex and delivery channels expand, even the slightest inefficiencies in the document development process can add up to significant losses and compromised integrity. Wolters Kluwer Financial Services solutions represent over five decades of market intelligence and industry experience dealing with thousands of regulatory changes each year. Wolters Kluwer Financial Services is the most experienced and knowledgeable national provider in compliance research, tracking, and business translation. Wolters Kluwer Financial Services has marshaled this experience together in the Expere Knowledge Base, which addresses the unique compliance and market pressures faced by financial institutions today.

## Compliance Monitoring

The Expere Knowledge Base is industry-recognized for providing financial institutions with accurate and practical content for complex rules and requirements. The Expere Knowledge Base content represents extensive compliance-related experience and analysis. Wolters Kluwer Financial Services' compliance experts (primarily attorneys and compliance analysts) review and monitor literally thousands of bills each year in all 50 state jurisdictions, the District of Columbia, and at the federal level. All bills are assessed for impact on Wolters Kluwer Financial Services documents, data requirements, business rules, styles, and formatting.

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The Expere Knowledge Base provides content addressing the lending and accounts document requirements related to the monitoring of federal

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***The Expere Knowledge Base provides content addressing the lending and document requirements of federal regulatory agencies, including:***

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Federal Reserve Board (FRB)  
U.S. Department of the Treasury  
Office of the Comptroller of the Currency (OCC)  
Financial Crimes Enforcement Network (FINCEN)  
Office of Foreign Assets Control (OFAC)

Federal Deposit Insurance Corporation (FDIC)  
Federal Trade Commission (FTC)  
Federal Financial Institutions Examination Council (FFIEC)  
U.S. Department of Housing and Urban Development (HUD)  
Fannie Mae and Freddie Mac

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Truth in Lending Act (TILA)-CFPB Regulation Z  
Real Estate Settlement Procedures Act (RESPA)-CFPB Regulation X  
Equal Credit Opportunity Act (ECOA)-CFPB Regulation B  
Home Mortgage Disclosure Act (HMDA)-CFPB Regulation C  
Community Reinvestment Act (CRA)-FRB Regulations BB and G  
Federal Flood Insurance Program  
FRB Regulation O-Loans to Executive Officers, Directors and Principal Shareholders of Member Banks

Fair Credit Reporting Act (FCRA)  
Unfair or Deceptive Acts of Practices-FRB Regulation AA  
Soldiers' and Sailors Relief Act of 1940  
IRS Regulations  
USA Patriot Act  
Privacy of Consumer Information-CFPB Regulation P  
Federal Interest Rate Preemption (Depository Institutions Deregulation and Monetary Control Act of 1980, DIDMCA)

## **TILA-RESPA Integrated Disclosures (TRID) General Overview**

The new TRID model forms consist of the Loan Estimate and the Closing Disclosure, their addendums, the Borrower-Only and Seller-Only versions of the Closing Disclosure, the Intent to Proceed, the Written List of Providers, Changed Circumstances, as well as the Escrow Closing Notice. This TRID Implementation Guide will focus primarily on the Loan Estimate and the Closing Disclosure, but the principles laid out in this overview will apply to all the new TRID forms.

The new TRID model forms apply to consumer purpose, closed-end loans secured by real estate for which the lender receives an application on or after October 3rd, 2015, with a few exceptions (the specifics of which can be found in the final regulation at 12 C.F.R. Parts 1026.19(e) and 1026.3(h)). The Loan Estimate is the application phase document that will replace the Good Faith Estimate and the early Truth-In-Lending Disclosure. The Closing Disclosure is the closing phase document that will replace the HUD-1 (or HUD-1A) Settlement Statement and the final Truth-In-Lending Disclosure.

### **Model form**

The final rule implementing the new Loan Estimate and Closing Disclosure specifically states that the forms are to only contain the information required by the regulation and that the model forms are to be followed precisely. The regulation also states that no modifications may be made to the Loan Estimate or Closing Disclosure model forms unless the regulation specifically provides for such modification. Therefore, Expere matches the model forms including approved modifications, when allowed, per the regulation's requirements.

### **Structural Adjustments**

An Expere implementer will notice that the Loan Estimate and Closing Disclosure REQ files are very complex in order to follow the regulatory requirements and strictly match the model forms. The REQ files are often times structured as tables within tables in order to achieve the required format. Additionally, other tool features are utilized to effect required formatting such as using DTA print elements to add in additional spaces where needed, or a DTA to print a needed amount may be split into two DTAs, one to print the dollars portion and one to print the cents portion, to ensure proper alignment on the form.

Another item to be aware of is that an implementer may find code sections in an untraditional place within an REQ file. For example, the Loan Estimate and Closing Disclosure coding sections for signatures are not at the end of the Body section of the file, but instead it is structured near the top of the file below the Tagline element and before the Metadata elements in the file. Another example is the Date and Parties coding section for the Loan Estimate is not in the usual Prolog element, but instead it is located as the first part of the first section under the Body element. These structural adjustments are required to ensure the disclosures match the format of the model forms.

## Space Constraints

Because Expere must match the model forms and the regulation's requirements, in many locations this presents space constraints on the Loan Estimate and Closing Disclosure. Expere provides users with as much space as can be accommodated while maintaining the required model forms' format. In order to accomplish this, several different techniques are used.

First, in some fields, character counts are included in the Product Technical Rules (PTR) to prevent a user from passing more characters than will fit in the field. To determine such character counts, an assumption was made to use the widest and largest character (W or w) to set the limit of characters allowed. This can result in a field appearing to have space to print more letters than it does because some characters take up less space than a w; or it can result in data getting cut off or wrapping because too much data is passed to fit in the space allotted. It is necessary to include the character count in some PTR rules to prevent a field from overflowing and potentially causing the page to overflow sections onto an inappropriate page or over-writing other required information. This technique is used sparingly and only when necessary so as to maximize the number of characters that can print in a field. Per customer requests for additional space to fit address lines and names in certain fields, some character counts have been increased to print additional characters for realistic data as opposed to being based off of the W. In which case, those address and name lines with character counts will fit most realistic data scenarios, but perhaps not all, and they will overwrite or wrap if all Ws are used. Therefore, customers are expected to ensure that the data passed for addresses and names do in fact fit in the space provided on the form without overwriting or wrapping of the field to ensure proper format.

To allow the most characters to print in some fields and to maximize space, another technique used is to rely on the user to only pass data that will fit in the space provided. As most words do not consist of all w's, instituting a character count limit in the PTR based on only using w's restricts the amount of space to print the passed text. Thus, in most fields, character counts are not included to allow for more words to print in the given amount of space. Often times there is sufficient space in the model to print the required information, absent a character count, but in some cases where there is significant chance of the passed data not fitting, a limitation is included in the Business Logic rule to instruct users to not pass more lines of text than the space allows for. The Product field description is one such field where the user is limited by this TRID Implementation Guide and the Business Logic rule to passing only one line of text on the Loan Estimate, and two on the Closing Disclosure (please see below for more specifics on this field). The fee names that print in the Closing Costs section is another place users are limited to only passing information that will fit on one line and in the space provided.

A third space constraint to be aware of is hidden or reserved space. In some fields, the space allowed to pass the required data is very limited, because space must be reserved on that same line or field for additional information that may or may not need to be included. For example, in the open item lines of the Summaries of Transaction table on the Closing Disclosure, hidden space is reserved to print the paid outside of closing information that may be required to be included or from and to dates for prorated items; thus if such paid outside of closing information or proration item dates are not passed for the item, it will appear that the item name can be much longer than there is room for. Another example is in

the Prepaids and Initial Escrow Payments at Closing sections of the Closing Costs where there is hidden reserved space for variations in the payment frequency that may be passed.

## Tagline/Barcodes

The Loan Estimate, Loan Estimate Addendum, Closing Disclosure, Closing Disclosure Addendum, Closing Disclosure-Seller Only, Closing Disclosure-Seller Only Addendum and the Written List of Providers have a modified tagline at the bottom of each page of the document due to the requirement of matching the model form and the space constraints that presents. As a result of having to match the model form, there is insufficient space to include a barcode. Instead, a custom field was added for the user to print necessary identifying information in lieu of a barcode. The following changes were made to the Expere standard tagline to create the modified tagline used in the TRIDs:

- Document title appears in ALL CAPS on the left margin of the first line and matches the model form.
- The page number is located on the right hand side of the first line separated by a bullet and is immediately before the Loan ID# and matches the model form.
- The addition of the Loan ID # which appears in the right hand margin of the first line and matches the model form.
- The Wolters Kluwer Financial Services name appears on the second line of the tagline on the left margin.
- Wolters Kluwer Financial Services warranty information is the second field from the left margin on the second line.
- A custom field was added as the third field from the left for users to print information for their identification needs, in place of a barcode. User has the option of using document specific custom field information or general custom field information to print the same information on all TRID docs.
- The second field from the right margin on the second line is space reserved to print “Borrower Only” or “Seller Only” on a Closing Disclosure when the lender indicates they want the separate disclosure versions of the Closing Disclosure.
- Revision date field (shown as PROTOTYPE below) is on the right margin of the second line.

## Tagline Example

CLOSING DISCLOSURE  
Wolters Kluwer Financial Services

2015020414.4.0.3034-R20081203N

CustomFieldForCustomerToUse

PAGE 1 OF 5 • LOAN ID # LoanID0123456789  
Borrower Only - PROTOTYPE

The Intent to Proceed, Changed Circumstances and Escrow Closing Notice Ancillary documents however will use the standard Expere tagline and will include space for a barcode.

## Auto Selection

The Loan Estimate and Closing Disclosure documents are auto selected by one of two ways. The main way for the Loan Estimate and Closing Disclosure to be selected for use in a transaction is by passing the following loan data characteristics in the xml: application received date is on or after October 3rd, 2015, the note is not indicated as being open end credit, collateral securing the transaction is indicated to be

real estate but not rental residential property, and not an assumption loan exempt from TILA/REG Z disclosures.

There is an alternate way of selecting the Loan Estimate and Closing Disclosure in some circumstances (such as when there is a system generated date that is not the true date or for testing purposes) whereby the user can pass an indicator to indicate that the Loan Estimate and Closing Disclosure are required. When setting the Integrated Disclosures Required Indicator to true, the user acknowledges that the transaction requires the use of the TRIDs meaning it is for a closed-end consumer purpose loan secured by real property and the application for such loan was received on or after October 3rd, 2015.

This indicator option is only to be used to select the Loan Estimate and Closing Disclosure for a transaction in which they are required to be used. The indicator is not to be used to generate the Loan Estimate and Closing Disclosure when they are not required to be used.

In the event a user needs to re-disclose a Loan Estimate or Closing Disclosure, the re-disclosed documents are selected the same way as the initial form but the user must also pass one additional indicator to indicate that they want to re-disclose one or both of the forms and select the appropriate phase.

For the Loan Estimate and Closing Disclosure Addendums, their auto selection follows that of the main forms with the addition of code to only select and generate the forms when overflow would occur and when the regulation allows the information to be placed on an addendum. See the below sections on the respective Addendums for more information on what can overflow for each disclosure document.

### **Seller in Transaction but Specific Information Unknown**

On the Loan Estimate, there are several content tables that change depending upon whether or not there is a seller in the transaction. The sections of the Loan Estimate that are conditioned on the existence of a seller in the transaction are the Sales Price/Est. Prop. Value in date and parties, Costs at Closing Table at the bottom of page 1 and the Calculating Cash to Close table that appears on page 3. This seller dependent content in Expere relies upon the user passing the name of a seller in the xml to trigger the seller versions of the above tables. However, in the event the user does not know or have the specific seller information to pass in the xml when issuing the Loan Estimate but does know a seller will be involved in the transaction, Expere has an alternative method of triggering the seller dependent tables on the form. In the event a user knows a seller will be involved in the transaction but does not yet have the specific seller information to pass in the xml, the user can indicate in the xml that the seller information is unknown. Thus, a user can either pass the specific seller name and information or the user can set the SellerInfoUnknownInd to true in the xml to trigger the seller dependent content tables in the Loan Estimate to print.

### **Seller vs. No-Seller Alternative Tables**

The TRID final rule allows for the use of optional alternative tables to be used in certain sections of the Loan Estimate and Closing Disclosure when there is no seller in the transaction. For the Loan Estimate, the alternative tables are available for the Costs at Closing table and the Calculating Cash to Close table.

On the Closing Disclosure, the alternative tables are available for the Costs at Closing table, the Calculating Cash to Close table, the Closing Costs columns, the Summaries of Transaction table vs. Payoffs and Payments table and the appearance of the seller name block. Expere will automatically default to printing these alternative tables on both disclosures in a no-seller transaction. However, a user can elect to over-ride this default setting and elect to print the seller versions of the tables in a no-seller transaction by setting the Integrated Disclosures Use Seller Table For No Seller Transaction Indicator to true. This election must be done for the transaction prior to/as part of generating the Loan Estimate and will then also apply to the Closing Disclosure. The TRID final rule requires the consistent use of the seller or no-seller tables throughout the transaction on both disclosures so a user cannot change this mid-stream nor can a user elect to use one alternative table in a document but not another. Users must elect this option at the beginning of the transaction to produce a consistent and compliant set of disclosures.

## Alphabetization

The Expere Engine in combination with the style sheet overlay will automatically alphabetize non-hardcoded Closing Costs, Payoffs and Payments, if included, and the non-hardcoded Summaries of Transactions rows in the Loan Estimate and Closing Disclosure. The alphabetization will occur when and where it is required, therefore users do not have to pass alphabetized items in any particular order. For example, Closing Cost fees may be passed in any random order and Expere will print the fees alphabetized and in their identified categorized subsection.

## Frequency Abbreviations

In the Closing Costs Details section on page 2 of the Loan Estimate and Closing Disclosure, the subsection G Initial Escrow Payments at Closing section prints a frequency period for which the payments are collected. Users must refer to their respective line of business' content guide to know which frequencies are supported for a particular Expere line of business or other product as a particular Expere line of business or other product may not support all frequency options listed here. Here is a list of the supported frequencies and their abbreviations:

- Annum (or year) = ann.
- Semi-annum = s-ann.
- Quarter = qtr.
- Month = mo.
- Semi-month = s-mo.
- Bi-week = bw.
- Week = wk.
- Payment (for single pay) = pymt.

## Dollar Amounts

Expere expects users to pass all dollar amounts as their exact unrounded amount and as a positive value. Expere's code will round when needed as well as print the number as a negative number when required per the requirements of the regulation. There is however, one exception to this rule for the

Final column in Adjustments and Other Credits row in the Calculating Cash to Close table located at the top of page 2 of the Closing Disclosure.

Because the amount in the Final column of the Adjustments and Other Credits row in the Closing Disclosure's Calculating Cash to Close table is the result of a calculation of amounts in the Borrower's Transaction of the Summaries of Transaction section that the user calculates and then passes to Expere, Expere cannot pre-determine if this number should print as a positive or negative value as it will never always be one or the other. Therefore, Expere will print this one amount exactly as passed in the xml; so if the user passes -500.00, Expere will print -\$500.00 or if the user passes 500.00, Expere will print \$500.00.

On the Loan Estimate and Closing Disclosure, negative numbers are expressed with a “-” in front of the number, such as -\$400.25, which matches the formatting of such numbers on the model form. Note however, that most other documents in the Expere transaction set will print () for a negative number, such as (\$400.25). Thus the use of the “-” on the Loan Estimate and Closing Disclosure to print a negative number is a departure from the Expere standard.

## Rounding

Expere expects users to pass all dollar amounts and interest rate amounts as unrounded numbers as the code will round all numbers as required and when required per the final regulation. The code will also drop trailing zeroes from numbers as indicated by the regulation as well. For example, \$123,400.00 for a loan amount will print as \$123,400. Likewise, an interest rate passed as 4.00% will print as 4%. One exception to note is the APR, which will always print with three decimals unless it is a whole percent. For example, a passed APR that is 6.78% will print as 6.780% or a passed APR of 6.000% will print as 6%.

## Options for Totals and Subtotals

Expere provides users with two options when it comes to total and subtotal fields in the TRIDs, with one exception. Users may opt to pass total and subtotal amounts that the user calculates or, if such total/subtotal amounts are not passed, Expere will sum the total and subtotal amounts by default. If the user opts to pass Expere the total and subtotal amounts in the TRIDs, the user is expected to then pass all the totals and subtotals for the Loan Estimate, Closing Disclosure and their addendums, if applicable. Users are not to pass some totals or subtotals and then have Expere sum the others. Users must be consistent in their treatment of totals and subtotals throughout the TRID disclosures. Additionally, Expere will not double check a user's math when totals and subtotals are passed, but strictly print what the user passes. It is the user's responsibility when electing to pass the total and subtotal amounts to pass the correct total amounts.

The exception to this rule is the Cash to Close total amount. Expere requires the user to always pass this calculated amount as Expere will never sum it. As the amount appears in two places on the Loan Estimate and three places on the Closing Disclosure (all of which are calculated in different ways), for consistency the Cash to Close amount will always be a total amount that is passed by the user using one of two schema points. Which schema path is used to pass the total will determine which From/To checkbox to check, when required.

### Special Note on Passing Totals/Subtotals on the Loan Estimate

When a user opts to pass the totals and subtotal amounts on the Loan Estimate, the user must calculate the total passed by using the rounded amounts that will print on the Loan Estimate; otherwise the total may not add up correctly when adding the individual amounts that prints on the Loan Estimate. Users must be mindful of using the correct values to calculate passed total and subtotal amounts.

### Integrated Disclosure Type Schemas for Using a Combined XML file

The Loan Estimate and Closing Disclosure documents in Expere are coded so that a single xml file can produce both documents at the same time while maintaining the integrity of the individual documents. In order to accommodate this, the code in the TRIDs will frequently include an Integrated Disclosure Type schema path in various repeatable elements. The user passes the data item, such as the date issued, once to populate the Loan Estimate with 9/10/2016 and then passes it a second time to populate the Closing Disclosure with 10/10/2016. The code determines which date issued to print on which disclosure due to the inclusion of the Integrated Disclosure Type schema. Thus to print the date issued on the Loan Estimate, a user would pass 20160910 and Integrated Disclosure Type = Loan Estimate, Then to print the date issued on the Closing Disclosure, the user would pass a second element with date issued of 20161010 and Integrated Disclosure Type = Closing Disclosure.

Note however, that this Integrated Disclosure Type is not used to print Closing Costs on page 2 of the TRIDs. Please refer to the Closing Costs sections of the Loan Estimate and Closing Disclosure segments below for information on how to pass Closing Cost fees.

### Feature Limitations

The Expere TRIDs and their accompanying new Ancillary Documents are used for and support closed-end consumer purpose loans that are secured by real estate for which an application is received on or after October 3rd, 2015. Users must refer to their specific Expere Knowledge Base Content Guide or Wolters Kluwer Financial Services Product Guide for information regarding a complete list of what features and loan types are supported for a specific Expere Line of Business or Product. The TRIDs themselves currently will support the features and transaction types of the following Expere Knowledge Base Lines of Business: Residential Lending, Consumer Direct and Home Equity and the following other Wolters Kluwer Financial Services Products: Compliance One Mortgage, ARTA Lending, and Doc Prep. In addition to the feature and transaction type limitations that the various lines of business or products may place on the TRIDs produced for that line of business or product, below is a list of some of the additional current feature limitations of the Expere TRIDs as stand-alone documents (i.e. not part of an Expere line of business transaction or other Wolters Kluwer Financial Services' Product line transaction):

- Negative Amortization: Supported
- Demand: Supported
- Preferred Rates: Not supported

- Step Rates: Not Supported
- Optional Payments: Not supported
- Multiple Real Property Collaterals: Limited support
  - The TRIDs will only support multiple real estate collaterals in the same transaction when the properties have the same purpose (i.e. all Purchase, or all Refinance, or all Construction, etc.) and the same valuation must be passed (i.e. all sales price, all appraised values or all estimated values) for each real estate collateral.
  - The current TRIDs will not support multiple properties in the same transaction if they have mixed purposes or mixed values because there is insufficient guidance in the final regulation on how to disclose the Sale Price/Est. Prop. Value and Purpose fields for transactions with multiple pieces of real estate collateral when the purposes or values of the collateral are not the same. Therefore, a transaction cannot have one property being purchased and one property being refinanced in the same transaction. Similarly, the transaction cannot have one property with a sales price passed and one property with an appraised value passed.
  - Wolters Kluwer Financial Services did reach out to the Consumer Financial Protection Bureau (CFPB) to seek additional guidance for supporting multiple real estate property collaterals in a single transaction with different purposes or valuations. Wolters Kluwer Financial Services received non-binding verbal guidance from the CFPB that for such a transaction scenario (i.e. one transaction with multiple pieces of real estate collateral having different property value types or different purposes (i.e. one purchase and one re-finance)), they should be disclosed as two separate transactions.
- Construction Loans: Limited support
  - Expere currently supports the following types of construction loans on the TRIDs:
    - Separate Construction Only phase transaction (with or without Escrow)
    - Separate Permanent Financing phase only transaction (with or without Escrow)
    - Two-phase Construction to Perm loan without escrow (i.e. no escrow allowed in either phase).
    - Two-phase Construction to Perm loan with escrow only in the second (or permanent financing) phase.
  - Expere does not currently support a two-phase construction to perm loan with escrow in both the construction and permanent financing phases.

## Loan Estimate

The Loan Estimate is the new early (or application phase) TRID disclosure that replaces both the Good Faith Estimate and the early Truth-In-Lending Disclosure. It is a three page document given within three days of receipt of the application.

## Instancing

The Loan Estimate is a single instance document. This means that one Loan Estimate will generate for each transaction regardless of the number of applicant borrowers.

## Logo

The final regulation allows users the option of inserting a logo on the top left of page 1 of the Loan Estimate. While Expere does allow space for a user to insert a logo through a transaction graphic feature, its use is not recommended due to implementation limitations that make the logo's use impractical. Because of space constraints, the size of the logo is limited to .4 inches of height and it must contain both the lender's name and address within that space. If used, the logo does not have to print on every Loan Estimate, but it is a transaction by transaction option. In the absence of a logo, Expere will print the name and address of the lender at the top of the Loan Estimate per the regulation's requirements.

## Examples



Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 08/01/2015  
**APPLICANTS** Joshephine Lynn Richards, Jr.  
12345 Faraway Street NE  
Ocean City, CA 12345  
**PROPERTY** 2244 14th Ave NE  
Jamestown, LA 12345  
**SALE PRICE** \$150,325

**LOAN TERM** 18 mo.  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE** ☒ Conventional ☐ FHA ☐ VA ☐  
**LOAN ID #** LoanID123-123  
**RATE LOCK** ☒ NO ☐ YES  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 09/05/2015 at 12:00 p.m. EST*

ABC Bank  
5432 Capital Drive, P.O. Box 11223 · Lynnwood, WA 12345

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 08/01/2015  
**APPLICANTS** Joshephine Lynn Richards, Jr.  
12345 Faraway Street NE  
Ocean City, CA 12345  
**PROPERTY** 2244 14th Ave NE  
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**LOAN ID #** LoanID123-123  
**RATE LOCK** ☒ NO ☐ YES  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 09/05/2015 at 12:00 p.m. EST*

## Date and Parties

The following segments contain information pertaining to specific fields in the two Date and Parties columns of the Loan Estimate that appear near the top of page 1. Expere does not use our standard Date and Parties format via a content reference in the Loan Estimate in order to match the specific requirements of the model form; therefore it is coded directly in the Loan Estimate REQ file.

## Applicants

The Loan Estimate has space to only print the names of the first two applicant borrowers and the address of the first listed borrower on the main form, thus if there is more than one applicant borrower in a transaction, a Loan Estimate Addendum will be generated that will print the names and addresses of all applicant borrowers to the transaction. The user has the option to print “and” between the two borrower names by mapping and passing a schema path to tell Expere if “and” should print on the first name line (at the end) or on the second name line (at the beginning) to allow the user to maximize character count space. Please note, in the event that an applicant borrower is a sole proprietorship, a d/b/a name will not print in the applicant name block as there is insufficient space to include it.

The order of the applicant borrower names that will print in date and parties may not be the same order in which they are passed. Normally, Expere will print the party names in the order in which they are passed, however, because of space constraints only certain signatures will fit on the main Loan Estimate form when a user elects to include signatures. In order to be consistent between the two sections, the Date and Parties will print the two applicant borrower names on the main Loan Estimate in a particular order to match up with the signatures that would appear on the main form to the degree they can. The order is as follows: individual applicants first, if any, followed by trustee name(s) for a trust when all the trustees are individuals and there is no trust instrument date passed for the trust. Then if both applicant borrower name spaces have not been used and there are additional applicant borrowers passed, then the following applicant borrower names will print in no particular order: Illinois Land Trust, an entity party applicant, and trustee(s) for a trust that have entity trustees or trustee(s) of a trust that has a passed trust instrument date (because these party types will not have signatures printing on the main form due to space constraints and instead print on the addendum).

The following character limitations apply in order to maintain the required model format: the first address line of the applicant borrower is limited to 32 characters, at which point the address of the first line will be cut off; on the second line of the address, the city is limited to 22 characters to ensure adequate space is available for the state and postal code. If an applicant borrower has a foreign address that is longer than two lines, then the first two lines will print on the Loan Estimate and then the entire address will print on the Loan Estimate Addendum.

Note on second line street addresses: The second line street address, when passed, for the applicant borrower will print on the main form under the following two conditions: (1) there is only one applicant borrower or (2) the total character count for both the first and second line street addresses passed will fit on the one line of space available for the street address when there is more than one applicant borrower. If there is more than one applicant borrower, the Addendum will be generated and both street addresses will always print for each applicant borrower on the Addendum.

## Property

The Property field can be populated with the street address (two lines if both passed and both will fit in the character count limitation for the one line of space available), or in the absence thereof, a legal description accompanied by the postal code of the property. The street address line is limited to 30 characters and the second line of the property field will print the city (limited to 20 characters), state

and postal code. If a legal description is used, it is limited to 30 characters on the first line, after which it will be cut off, but the postal code will print on the second line so space on the first line need not include the required postal code. However, if the legal description is longer than 30 characters, then it will overflow to the Loan Estimate Addendum where the entire legal description will print. Expere has not elected to include the optional personal property description in this field as there is no room to do it given the space constraints, and it is not allowed to overflow to an addendum.

If there are multiple pieces of real estate collateral in the transaction, only the address or legal description of the first piece of real estate collateral will print on the Loan Estimate, the additional property addresses or legal descriptions will print on the Loan Estimate Addendum.

### **Sale Price/Estimated Property Value Field**

If the transaction has sellers, then the Sale Price label will print on the form along with the passed sales price for the piece of real estate collateral or if the user does not yet know the sales price, the estimated value will print. If it is a No-Seller transaction, then the Est. Property Value label will print along with the estimated market value of the real estate collateral, unless the user has obtained and passed an appraisal or other valuation of the property, in which case the appraised value will print.

### ***Multiple Pieces of Real Estate***

In the event there are multiple pieces of real estate collateral in a single transaction, all pieces of real estate collateral must use the same type of valuation. For example, if there are two pieces of real estate collateral, the user must pass a sales price for both pieces and then the sum total of the two sales prices of the collaterals will print. A user cannot pass a sales price for one piece of real estate collateral and pass an estimated value for the second piece of real estate collateral in the same transaction. Transactions with multiple pieces of real estate collateral must have the same loan purpose and the same type of property value.

### ***A Note on Manufactured Homes***

A note on Manufactured Homes that are personal property: If a manufactured home that is personal property is being purchased at the same time as a piece of real estate in the same transaction (and thus the TRIDs are used), the code will sum the passed valuation amount of the manufactured home that is personal property with the passed valuation amount of the real property, even though there was no room on the form to include the description of the manufactured home in the property field. The valuation amount of both the real estate and the personal property manufactured home must be the same, for example both must pass a sales price value.

### ***A Note on Separately valued Personal Property***

A note on personal property that is separately valued: In a seller transaction, if the borrower and seller have agreed to a separate price in the purchase agreement for personal property (that is not a manufactured home) and the creditor indicates the personal property is separately valued, then the separately valued personal property amount will be subtracted from the passed total sales price amount.

## Loan Term

The user is expected to pass the Loan Term as a count of the number of months of the loan term. For example, a 10 year loan would be passed as term in months count of 120. Expere will then determine and print the number of years and number of months (if not in whole years and longer than 24 months) or it will print the number of months, if the term is less than 24 months. If for an adjustable rate loan, the interest rate changes may affect the term of the loan, then the user would also pass a maximum loan term (in months) and Expere will print a range for the loan term.

## Purpose

Expere will print the purpose (Purchase, Refinance, Construction or Home Equity) as indicated by the terms of the transaction in the passed xml. One note about multiple pieces of real estate collateral: If there are multiple pieces of real estate collateral in the transaction, all pieces of real estate collateral must have the same purpose. A user cannot pass a piece of real estate collateral for purchase and one for refinance in the same transaction.

## Product Field

Expere will not populate the Product field for the user; instead the user must pass this description. The final regulation has particular requirements as to what to include in this field and in what order it must print. Information from the regulation and commentary has been included in the REQ file business logic to assist the user in determining what and how to pass the necessary information in this string field. Due to formatting and space constraints, the user cannot pass a Product description that is longer than one line. However, to optimize the amount of space in the field to ensure that the longest required combination of terms will fit, Expere has not imposed a character count in this field. It is expected that the user will not pass a Product description that is longer than one line. Below is the information included in the field's business logic to help the user determine what to pass on this line, which comes from the final regulation and its official staff commentary located at 12 C.F.R. Part 1026.37(a)(10).

The Product field must contain a description of the loan product and shall include the features that may change the periodic payment: Negative Amortization, Interest Only, Step Payment, Balloon Payment, and Seasonal Payment. The duration of the relevant payment feature must also be disclosed with a Negative Amortization, Interest Only, Step Payment or Balloon Payment loan and will print before the feature. A duration of time is not included for a Seasonal Payment feature. If the loan can be described with more than one of the above features, only the first applicable feature is disclosed in the order of priority that is listed in the final regulation. The feature, if one is applicable, is then followed by a second piece of information to describe the interest rate that applies to the principal balance: Adjustable Rate, Step Rate (currently out of scope) or Fixed Rate. Each interest rate description must also be preceded by the duration of any introductory rate or payment period and the first adjustment period as applicable. If there is no applicable interest rate adjustment feature, then list only the type of interest rate preceded by any introductory rate and first adjustment period, as applicable. Examples include: "5/3 Adjustable Rate"; "0/3 Adjustable Rate"; "10/1 Step Rate"; "Fixed Rate"; "5 Year Negative Amortization, Fixed Rate"; "5 Year Step Payment, Fixed Rate"; "Year 7 Balloon Payment, 3/1 Step Rate"; and "Seasonal Payment".

For adjustable rate and step rate loans with no introductory period, print "0" for the introductory period. If the introductory period or adjustment period does not equate to a whole number of years and the period is 24 months or greater, then disclose the whole number of years followed by a decimal for the remaining months, for example, 31 months would be 2.58. But if the introductory period or adjustment period does not equate to a whole number of years and the period is less than 24 months, then disclose the number of months followed by the "mo." designation such as 18 mo. If frequency of adjustments is more than monthly, disclose the applicable unit period such as daily, weekly, or bi-weekly. Examples are: "2.58 Adjustable Rate"; 18 mo./18 mo. Adjustable Rate"; and "0/Weekly Adjustable Rate."

## Loan ID

Expere allows for an alpha-numeric Loan ID number which means both letters and numbers can be passed in this field. The Loan ID on the Loan Estimate has a hidden space constraint to it that a user needs to be aware of. The Loan ID on both the Loan Estimate and the Closing Disclosure (in the Date and Parties as well as Tagline sections) must match, but for an extension of a re-disclosure number. Because the base Loan ID in both disclosures are required to match, the length of the Loan ID in the Loan Estimate is limited to that which can fit in the Date and Parties section of the Closing Disclosure as that location has the least amount of space for it. There is more space for it on the Loan Estimate, but because it must match the Closing Disclosure Loan ID, the Loan Estimate is limited by the space available on the Closing Disclosure.

Additionally, the final regulation commentary states that in the event a Loan Estimate (or Closing Disclosure) is re-disclosed, then the Loan ID should include an added sequential number to the end of the Loan ID to identify which version of the re-disclosed Loan Estimate it is. For example, if a base Loan ID of ABC1234567 is used, then if that Loan Estimate is re-disclosed, the re-disclosed Loan Estimate Loan ID should print as ABC1234567-01. Thus, the user must reserve space to add in a hyphen and up to a two digit sequential number after the Loan ID in the event the form is re-disclosed. Expere does not reserve space for the re-disclosure number, but the need for the user to reserve space for a possible re-disclosure number later places an additional restriction on the length of the Loan ID.

Expere does not impose a character count on the Loan ID in the code, to maximize the amount of space, but the user is limited to only that which will fit on one line in the Closing Disclosure. The user is further limited by the need to reserve three characters of space for the inclusion of a re-disclosure sequence number. Based on various character sizes, here are a list of counts as to what will fit: 10 capital 'W's plus reserved space for a hyphen and two re-disclosure digits; 14 lower case 'w's plus reserved space for a hyphen and two re-disclosure digits; 23 '1's plus reserved space for a hyphen and two re-disclosure digits; 20 '7's plus reserved space for a hyphen and two re-disclosure digits. Thus, because the size and width of letters and numbers are not the same, the exact character count length that a Loan ID may be is dependent on which letters and numbers are used and in what combination. For example, in one combination 20 characters may fit, but in another combination only 12 may fit. What is known for sure is that a capital 'W' is the widest character so that at least 10 characters will fit, plus the three reserved spaces for a re-disclosure number to be added on later.

## Rate Lock

Users should be aware that when there is a rate lock disclosed on the Loan Estimate, the user is expected to pass the date, time of day (including am/pm) and the time zone for when the rate lock expires. Because of space constraints, the user must pass the time zone as an abbreviation such as EST for Eastern Standard Time or CDT for Central Daylight Time, etc. There is insufficient space to print out the full name of the time zone.

## Loan Terms

Expere requires users to indicate whether or not the loan amount, interest rate, or periodic principal and interest amount can change over the life of the loan as well as whether or not a prepayment penalty or balloon payment feature applies. If true, then various bullet points of text will print based upon additional information passed by the user. Because the number of bullets can differ depending upon the terms of the loan transaction, space in these rows may flex according to the number of bullets that print.

When it comes to date descriptions in the Loan Term bullets that must identify when changes will begin to occur or when a maximum is reached, the user is expected to pass that date description as part of a string field. Expere will not determine what that time frame description is. For information on what the date description should be, user should refer to the final regulation and its commentary for further guidance. One final item of note, in some cases, if a user fails to pass required information, such as a date description in a bullet point, a two inch blank line will print to signify that the user is missing required information that must be passed and may cause the page to overflow. In which case, the user must pass the missing information to remove the blank lines and ensure the page is properly formatted.

## Projected Payments

### Columns

Expere will not determine the number of columns nor the values that are to print in a given column in the Projected Payments table on page 1 of the Loan Estimate. Expere will know how many columns to print based on the number of projected payment schema element containers that are passed. The user is expected to pass one projected payment schema element for each column, in the order in which they are to print on the Loan Estimate. For example, if the loan transaction requires three columns, then the user is to pass three projected payment schema element containers for the Loan Estimate; the first element would contain the xml to populate the first column of the Loan Estimate, the second element container would contain the xml to populate the second column on the Loan Estimate, etc. It would be user error to pass the information that prints in the third column of the Loan Estimate in the first projected payment element container as then the information will print out of order on the form.

For each Loan Estimate projected payment element container, the user will need to pass the following information, as applicable, to populate the column:

- Starting year and, if applicable, ending year that applies to the column.
- Indicate if the periodic payment is a range.

- The amount of the periodic payment, or if a range, then the minimum and maximum amounts for the range.
- Indicate if any payment in the column is an interest only payment.
- Indicate if the payment is a final balloon payment, and if so, the amount of the final balloon payment.
- The amount of the mortgage insurance payment, if it applies.
- The amount of the escrow payment, if it applies.
- The total amount of the periodic payment (or the minimum and maximum if a range), if the user wants to calculate it themselves and pass it; otherwise Expere will sum this total.
- The Integrated Disclosure Type to signify the column is to print on the Loan Estimate.

### Estimated Taxes, Insurance and Assessments

To populate the Estimated Taxes, Insurance and Assessments section of the Projected Payments table on page 1 of the Loan Estimate, a user will pass a given tax, insurance or assessment item as either an escrow item, an escrow item that is waived or a non-escrowed estimated property cost. Which collection/container the item is passed under will indicate to Expere whether the item is to be escrowed or not (unless it is a waived escrow item). The box will check to indicate the item is included in the total amount based on whether or not the item is passed, regardless of which collection/container it is passed under. For example, if a user passes city property taxes as an escrow item (whether it is waived or not), then the box next to the Property Taxes will check and the 'In Escrow' column will print "YES" if it is not indicated to be a waived escrow item and "NO" if it is indicated to be a waived escrow item. If the user passes city property taxes as an estimated property cost (non-escrowed item), the box next to Property Taxes will be checked and the 'In Escrow' column will print "NO." If the user does not pass city property taxes as an escrow item or an estimated property cost (non-escrowed item), then the checkbox next to Property Taxes will not check and nothing will print in the 'In Escrow' column.

For the "Other" checkbox, please note that the final regulation specifies that if there is more than one other item, the first item name is to print followed by "and additional costs." The user is limited to passing only 20 characters for a user defined item in the other field to ensure adequate space is available to print "and additional costs" if there is more than one item passed; however we do not code for this character limitation so the user is responsible to pass an item name that is 20 characters or less.

For all three checkbox rows, if there are multiple items for a given line, the 'In Escrow' column will print "YES" if all items passed for the line are escrowed and no escrow items are waived, "NO" if all items passed for the line are not escrowed or waived escrow items, and "SOME" if it is a mixture of escrowed, waived escrow and non-escrowed items.

### Costs at Closing Table

There are two variations of the Costs at Closing table that appear at the bottom of page 1 of the Loan Estimate: the main version is for a transaction with Sellers and the alternate version is for a No-Seller transaction. Both versions have the two rows for the Estimated Closing Costs and the Cash to Close. The variations come in the Cash to Close row in that From and To checkboxes are added for a no-seller

transaction. The no-seller version relies on the checkboxes to indicate if the resulting amount is a positive or negative number by signifying that the cash is From the borrower when it is positive, and To the borrower when negative. The seller version does not include the checkboxes so a negative sign will print in the event the Cash to Close total amount is a negative number and thus an amount given to the applicant borrower.

There are two other items to note about this section. The first is that if the dollar amount that prints is greater than \$99,999.99 or less than -\$99,999.99, then in order to get the number to fit in the space allotted, the number will print in a reduced font size. The second is that Expere does not calculate the Cash to Close total amount. The user is expected to pass it as a closing information detail. If it is passed as a cash to borrower at closing amount, Expere will know to check the To box or print a negative number. If it is passed as a cash from borrower amount, Expere will know to check the From box or to print a positive number, depending upon which table version is used.

## Closing Costs

### Fee Passing Basics

For a fee to print in the Closing Costs section on page 2 of the Loan Estimate, a user must pass the following: Loan Estimate section type, name of the fee, the amount to print on the Loan Estimate and in some cases a payment frequency, number of payments and amount of each payment. The Loan Estimate section type is required because that is how Expere determines in which category to print the fee on the Loan Estimate. The Loan Estimate section type options are: Origination Charges, Services Borrower Can Shop For, Services Borrower Cannot Shop For, Taxes and Other Government Fees, Prepaids, Initial Escrow Payment at Closing and Other. All fees are to be passed under the FeesAndChargesBaseFees collection/container.

When it comes to the name of fees, users can select from a pre-populated enumerated list or pass a user defined fee name. It is important to note, that due to space constraints, not all fee names will fit in the space allotted on the form, particularly in Initial Escrow Payment at Closing section. Expere provides the user with the option to pass a fee short name for each fee so the user can abbreviate the fee name to fit in the space provided on the form. If the user opts to use the fee short name, then that fee short name will also then print on the Closing Disclosure as well. The user must still pass both the fee name and the fee short name, when the fee short name option is used, because all other documents in the transaction will print the full fee name.

Whether the user opts to use the fee short name or print the pre-populated enumerated list fee name, the user is expected to ensure that the length of the fee name fits in the space allotted for that line on the form and that the fee name does not wrap to a second line. If a fee name wraps to a second line, the user is expected to pass an abbreviated fee short name for the fee name as the regulation does not allow fee names to print on more than one line. Expere does not truncate or institute a character count limitation in the fee name lines to prevent the fee name from wrapping in order to provide users with the maximum amount of characters possible to be used in the limited space that exists on the form.

## Number of Fees

The regulation and the format of the model form limits the number of fees that will print on the Loan Estimate for each section. The number of fees allowed to print on the form also depends on whether or not the section contains any hardcoded fee names that must always print, regardless of whether or not the fee is charged. Here is a list of the number of fees that will print for each section:

- Origination Charges: 13 (or 12 + Additional Charges).
  - The 13 includes one hardcoded line of Loan Amount Points that will always print.
  - User sees up to 12 more origination charges or 11 + Additional Charges.
- Services You Cannot Shop For: 13 (or 12 + Additional Charges)
  - No hardcoded fee names
- Services You Can Shop For: 14 (or 13 + Additional Charges)
  - No hardcoded fee names
- Taxes and Other Government Fees: 2
  - Both rows, Recording Fees and Transfer Taxes are hardcoded lines. No additional fee lines may print on the Loan Estimate. See below for more information on this section.
- Prepaids: 7 (or 6 + Additional Charges)
  - The 7 includes four hardcoded lines that will always print (Homeowner's Insurance, Mortgage Insurance, Prepaid Interest and Property Taxes).
  - User sees up to 3 more charges (or 2 + Additional Charges).
- Initial Escrow Payment at Closing: 8 (or 7 + Additional Charges)
  - The 8 includes three hardcoded lines that will always print (Homeowners' Insurance, Mortgage Insurance and Property Taxes).
  - User sees up to 5 more charges (or 4 + Additional Charges).
- Other: 5 (or 4 + Additional Charges)
  - No hardcoded fee names

If more fees are charged and passed than will fit in a given section, then the last line of the section will print "Additional Charges" and a sum total of all those additional charges. There is one exception to this rule and that is for the Services You Can Shop For section. The Services You Can Shop For section allows the user the option to print additional such fees on the Loan Estimate Addendum, in which case the last line would state "See Addendum" along with the sum total of all fees listed on the addendum. If the user does not indicate they want additional Services You Can Shop For fees to overflow to the

addendum, then the last line will print “Additional Charges” along with the sum of the additional charges just like the other fee sections.

### **Taxes and Other Government Fees**

The Taxes and Other Government Fees, sub-section E, on page 2 of the Loan Estimate is required to be coded differently from the other sections. While the user will still pass each individual fee for this section like all other sections, the regulation requires Expere to bundle the itemized fees of the section onto one of two lines and only print borrower paid fees on the Loan Estimate for the transfer tax line in this section. If the user indicates the itemized fee is a transfer tax and it is paid by the borrower, then all fees indicated as such will be summed together and print on the “Transfer Tax” line. (Note: As an alternative, a user may pass one of the transfer tax fees to include a passed user calculated/summed Loan Estimate Transfer Tax Fee Total Amount, which is only the amount of borrower paid fees, that will print as the transfer tax amount instead of Expere summing the total of all borrower paid individual transfer taxes passed.) All other itemized fees, that are not indicated to be transfer taxes regardless of which party will pay it, will be summed together and print on the “Recording Fees and Other Taxes” line. Please note that on the Closing Disclosure however, each individual transfer tax fee, regardless of who pays it, must be separately passed, named and itemized in this section.

### **Property Taxes**

The Property Tax hardcoded lines in both the Prepaids, sub-section F, and Initial Escrow Payments at Closing, sub-section G, on page 2 of the Loan Estimate are treated the same way. Expere has elected to print the first property tax type that is passed as either City Property Taxes or County Property Taxes on the hardcoded line. In the event that both are passed, or additional property taxes such as School or Village Property Taxes are passed, the additional ones will print on a separately itemized line in the respective fee section. Expere does not aggregate and print a sum of all property taxes on the same hardcoded line because all fees are to be separately itemized on the TRIDs and the number of payments collected may be different for each type of property tax.

### **Frequencies in Prepaids and Initial Escrow Payments as Closing**

Expere will print the same frequency for all fees passed in the Prepaids, sub-section F, section and the same frequency for all fees passed in the Initial Escrow Payments at Closing, sub-section G, section on page 2 of the Loan Estimate. The frequency in the Prepaids section, however, may be different from that of the Initial Escrow Payments at Closing section. The frequency that will print in each of these sections will be the frequency listed for the first fee passed for that section. Expere does this for two reasons: to match the formatting of the model form and also because it is easier and clearer for the consumer to understand the fees and connect it to their periodic payments. If no fee is passed for the hardcoded lines in these fee sections, then Expere will match the models by printing blank spaces to reserve space for the amounts and printing the default frequency of “month” or “mo.” as the frequency.

### **Number Limitations in Initial Escrow Payments at Closing**

Due to space constraints in the Initial Escrow Payments at Closing, sub-section G, on page 2 of the Loan Estimate, the amount of the fee to be placed in escrow for each period is limited to \$99,999.99 as that is all the space that is allotted for it. The number of periods collected is also limited to only 2 digits (99) due to space limitations.

## Fee Name Monikers

The final regulation requires that two monikers may need to print in addition to the fee name. The first is "Title-". If a fee is a title service fee, then "Title-" has to print in front of the fee name such as "Title-Abstract or Title search". In Expere, if the fee name is selected from the enumerated list and it begins with title, then "Title-" will print; otherwise for user passed and all other enumerated fee names, the user must indicate that the fee is a title fee in order for "Title-" to print before the fee name.

The second moniker is "(optional)" and may only appear in the "Other", sub-section H, fees on page 2 of the Loan Estimate. In order for "(optional)" to print after the fee name, such as "Owner's Title Insurance (optional)", the user must indicate that a fee is an optional fee.

## Calculating Cash to Close

The final regulation provides for two versions of the Calculating Cash to Close table that appear in the right column of page 2 on the Loan Estimate. The main Calculating Cash to Close table is used for a Seller transaction and consists of 8 rows. The alternative Calculating Cash to Close table is used for Non-Seller transactions which consists of only 5 rows and includes the From/To checkboxes on the Cash to Close total row. The row contents of the two versions are different. See the included examples of each below.

In order to populate the Calculating Cash to Close tables, the user must pass the estimated amount to print on each row under the cash to close items collection container. The user will identify the cash to close item type from an enumerated list for the row and then pass the estimated amount that will print on the Loan Estimate. Expere will not calculate these amounts and will not pull in the value from another schema path even though it may print elsewhere on the form, such as the Total Closing Costs (J) amount. Expere will however print the negative sign as appropriate so the user is expected to pass all values in the section as positive numbers.

The exception to note is the total Cash to Close amount, as this amount is not passed as a cash to close item, but as a closing information details item that is either the cash to borrower at closing amount or the cash from borrower at closing amount. This is the same amount that prints at the bottom of page 1 in the Costs at Closing table, therefore to be consistent, Expere re-uses the same code in both places.

### Example of Seller Calculating Cash to Close Table

Calculating Cash to Close	
Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$16,054</b>

## Example of No-Seller Calculating Cash to Close Table

Calculating Cash to Close	
Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,099
Estimated Total Payoffs and Payments	– \$120,000
<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,901
Estimated Closing Costs Financed (Paid from your Loan Amount)	\$5,099

## Adjustable Payment Table

The Adjustable Payment (AP) Table will only print when it is required to print at the bottom of page 2 of the Loan Estimate under the Total Loan Costs (D). The AP table is required only when the payment may change and the cause of the change is not due to a change in the interest rate. This table will print only if the xml indicates that there is an interest only payment or seasonal payments as part of the transaction. If there are no interest only payments and no seasonal payment feature, then the AP table will not print, but white space will appear instead to reserve the space for it.

If the loan has an interest only payment feature, the user must pass the interest only period description to describe the period during which the interest only payments are scheduled. Examples are “for your first 60 payments” or “from your 61<sup>st</sup> to 85<sup>th</sup> payment”. Consult the final regulation to determine the language required to be passed here.

If the loan has a seasonal payment feature, the user must also pass the seasonal payment period description that describes the period during which the applicant borrower will not have scheduled periodic payments.

In the event there are subsequent payment changes to the periodic principal and interest payment, the user must pass a description of the subsequent changes either expressed as years or as a number of payments. Consult the final regulation to determine the language required to be passed here. In the absence of any passed subsequent payment change description, Expere will print “No subsequent changes” by default.

## Adjustable Interest Rate Table

The Adjustable Interest Rate (AIR) table will print on page 2 of the Loan Estimate under the Calculating Cash to Close table only when it is required to print. If it is not required to print, white space will appear instead to reserve the space for this table. In Expere, the AIR table will print when the user indicates in the Loan Terms section that the interest rate may increase after consummation.

## Minimum Interest Rate

Per the requirements of the final regulation, if the user does not pass a minimum interest rate, then by default the interest rate margin will print as the floor.

### Limits on Interest Rate Changes-Subsequent Changes

Per the requirements of the final regulation, if there are multiple limits to the amount the interest rate may adjust after the first change, the user is to pass the greatest limit. Expere will not determine what the largest subsequent limit is because these kinds of calculated values are something the lender's Loan Origination Software (LOS) should derive as the LOS is the lender's system of record, not Expere.

### Contact Information

The Contact Information appears at the top of page 3 of the Loan Estimate. If the lender is not known at the time Loan Estimate is issued or there is no mortgage broker in the transaction then that party's information will be left blank. When the lender and or mortgage broker are known and included, the user must pass either an NMLS ID or a state license ID for both the party and the loan officer. If a state license ID is used for either the party, loan officer or both, then the user must also pass the state abbreviation to indicate the state in which the license ID was issued.

### Other Considerations

In Expere, not all Other Considerations paragraphs that appear on page 3 of the Loan Estimate will print in this section as some are conditional. The following paragraphs will only print if the condition is met to print them: Appraisal, Homeowner's Insurance, Loan Acceptance, Liability after Foreclosure and the Construction Loan Notice. All other paragraphs will always print in this section.

One note about the late payment paragraph is that if the loan is not an investor or government backed loan, additional state specific language may print for Indiana, Minnesota and South Carolina if the condition to print the additional text is met.

### Signatures

The inclusion of applicant borrower signatures at the bottom of page 3 of the Loan Estimate is optional. If the user indicates they want signatures included on the form, then the Confirm Receipt section will print along with the first two signatures. If there are more than two signers, then next to Confirm Receipt the phrase "See Addendum for additional signature information" will print, the Loan Estimate Addendum will be generated and the addendum will include all signers on it. One exception to this rule is that if an applicant borrower is an Illinois Land Trust, all the signers for the Illinois Land Trust will print on the Loan Estimate Addendum as there is insufficient space to print the necessary language for such a party signature at the bottom of the Loan Estimate. The signature section does allow for attorneys-in-fact to sign on behalf of an applicant borrower who is an individual or sole proprietorship. The signature section on the Loan Estimate does slightly differ from Expere's standard signature format so as to match the model form; therefore, the signer names will not print in bold or italics and "Date" has been indented from the right.

### What gets rounded on the Loan Estimate

12 C.F.R. Part 1026.37(o)(4) specifies which dollar amounts and percentages are to be rounded in the Loan Estimate. The user is expected to pass unrounded amounts then Expere will round the amount for the user as necessary. The following dollar amounts will be rounded by Expere to the nearest whole dollar:

- Amounts in the Loan Terms bullet points indicating adjustments after consummation
- Amounts in the Prepayment and Balloon Payment statements of the Loan Terms
- Amounts in the Principal and Interest row of the Projected Payments table when a range is disclosed.
- Amounts in the Mortgage Insurance row in the Projected Payments table
- Amounts in the Escrow row in the Projected Payments table
- Amounts in the total row of the Projected Payment table, if the total is a range or the total includes either mortgage insurance or escrow.
- Amount disclosed for Estimated Taxes, Insurance and Assessments in Projected Payments table
- Amounts in Loan Costs
- Amounts in Other Costs
  - Except for the per diem amount listed for Prepaid Interest in Prepaids sub-section
  - Except for the monthly amounts disclosed for a fee in the Initial Escrow Payments at Closing subsection
- Amounts in Calculating Cash to Close table
- Amounts in the AP table
- Amounts in the Comparisons table on page 3.

A special note about the Loan Amount in the Loan Terms table: while this amount is not to be rounded, the final regulation does require trailing zeroes to be dropped so \$120,000.00 will print as \$120,000 without the zero cents.

As for percentages, Expere will follow the requirements of the regulation and print up to three decimal places for the following percentages but will drop any trailing zeroes. For example, if the passed interest rate percent is 4.50%, Expere will print 4.5%. If the percentage is a whole number, then the percentage will be truncated at the decimal point and the trailing zeroes will not print.

- Interest Rate in the Loan Terms table.
- Interest Rates that print in the Loan Terms bullet points indicating adjustments after consummation
- Percent of Loan Amount Points in the Origination charges section of Loan Costs
- Interest Rate in the Prepaid Interest line of the Prepaids section of Other Costs
- Percentages in the AIR Table
- Total Interest Percentage in the Comparisons table on page 3

A special note about the Annual Percentage Rate (APR) in the Comparisons table on page 3: the APR will always be disclosed as three decimal places except when it is a whole number. For example, if the passed APR is 4.56%, Expere will print 4.560%; however, if the passed APR is 4.000%, Expere will print 4%.

## Loan Estimate-Addendum

Expere will generate a Loan Estimate Addendum only when there is required content that is allowed to overflow onto an addendum in the passed xml. The following items will overflow onto a Loan Estimate Addendum: there is more than one applicant borrower; there is an applicant borrower with a foreign address that has more than two lines; there are more than two signers and signatures are included on the form; there is an Illinois Land Trust and signatures are included; there are more than 14 Services You Can Shop For fees and the user elects to print the additional ones on the addendum; a real estate collateral legal description is too long; and there is more than one piece of real estate collateral securing the transaction. The Loan Estimate Addendum is a dynamic form so only those elements that require overflow will print on the form and no additional information will print.

## Closing Disclosure

The Closing Disclosure is the new closing phase TRID disclosure that replaces both the RESPA HUD-1 (or HUD-1A) Settlement Statement and the final Truth-In-Lending Disclosure. It must be provided to the consumer at least three business days prior to consummation.

## Three Versions in One REQ File

The Closing Disclosure REQ file will generate one of three different Closing Disclosure versions for each loan transaction. The first version is the full combined Seller version which is generated for a loan transaction that includes sellers and for which the user does not indicate they want separate disclosures for the borrower and seller. The second version is the No-Seller version which is generated for a loan transaction that does not include sellers, such as a refinance. The third version is the Borrower Only version which is generated for a loan transaction that includes sellers and for which the user does indicate they want separate disclosures for the borrower and seller. The single REQ file that produces all three of these Closing Disclosure versions re-uses the same code for most sections of the document, but for a few exceptions that will be pointed out below.

## Page Numbers

The Closing Disclosure, regardless of whether or not it is a Seller version, No-Seller version or Borrower Only version will always be a total of five or six pages. The Closing Disclosure will print 5 pages unless the number of Closing Costs passed exceeds the space available on page 2 and therefore splits into pages 2a and 2b, then the Closing Disclosure will print as 6 pages in total. However, the tagline will always print only page numbers 1-5. If all the Closing Costs fit onto one page, the page numbering will be 1, 2, 3, 4, and 5. If the Closing Costs split and print on two pages, the page numbering will be 1, 2a, 2b, 3, 4 and 5. Expere uses this page numbering because it is a requirement of the final regulation.

## Instancing

The Closing Disclosure is a multiple instance document; however it does not follow Expere's standard instancing rule guidelines but has its own unique rule. Traditional Expere documents that are multiple instance documents will only print the name of the one party in scope on each document instance. The Closing Disclosure however, will always print all borrower names in the Date and Parties as well as the

Signatures, when included. The Closing Disclosure instancing rule therefore generates an exact copy of the same document for each party who receives it. The only difference will be the instance display name to identify who should receive each generated instance or copy of the Closing Disclosure.

The TRID final regulation does not require the Closing Disclosure to be given to each party under 12 C.F.R. Part 1026.19(f)(1) and its official staff commentary, but Expere generates multiple copies through instancing for Right of Rescission purposes per 12 C.F.R. Part 1026.23 and its official staff commentary. Therefore, Expere will generate one instance copy of the Closing Disclosure for each borrower, non-borrowing owner and if the borrower or non-borrowing owner is a trust, one instance copy for each of the trust beneficiaries.

## **Date and Parties**

The following segments contain information pertaining to specific fields in the Closing Disclosure's three Date and Parties columns that appear at the top of page 1 titled Closing Information, Transaction Information and Loan Information. Expere does not use our standard Date and Parties format via a content reference in the Closing Disclosure in order to match the specific requirements of the model form; therefore it is coded directly into the Closing Disclosure REQ file.

## **Settlement Agent**

Due to the model form's format and resulting space constraints, Expere can only print the first 25 characters of the Settlement Agent name on page 1 after which it will cut off. The full name however, will print on the last page of the Closing Disclosure in the Contact Information table as there is more space in that location.

## **Property**

The Property field can be populated with the street address (two lines if both passed and both will fit in the character count limitation for the one line of space available), or in the absence thereof, a legal description accompanied by the postal code of the property. The street address line is limited to 25 characters, while the city is limited to 15 characters to ensure adequate space for the state and postal code. If a legal description is used, it will print the first 50 characters (amongst the two lines) followed by the postal code. If the legal description is longer than 50 characters, then it will overflow to the Closing Disclosure Addendum where the entire legal description will print.

If there are multiple pieces of real estate collateral in the transaction, only the address or legal description of the first piece of real estate collateral will print on the Closing Disclosure. Additional real estate collateral property addresses or legal descriptions will print on the Closing Disclosure Addendum.

This field may also include a personal property description for a mobile home that is personal property being purchased as part of the same transaction with a piece of real property. However, there is insufficient space to include the description on the main form here so it will overflow and print on the addendum instead.

### **Sale Price/Appraised Prop. Value/Estimated Prop. Value**

If the transaction has sellers, then the Sale Price label will print on the form along with the passed sales price for the piece of real estate collateral. If the transaction does not have a seller, then the Appraised Prop. Value label will print on the form along with the passed appraised value of the real estate collateral. If for a No-Seller transaction, an appraisal price is not passed, then the Est. Prop. Value label will print along with the passed estimated property value for the real estate collateral.

### ***Multiple Pieces of Real Estate Collateral***

In the event there are multiple pieces of real estate collateral in a single transaction, all pieces of real estate collateral must use the same type of valuation. For example, if there are two pieces of real estate collateral, the user must pass a sales price for both pieces and then Expere will sum the total of the two collaterals' sales prices will print. A user cannot pass a sales price for one piece of real estate collateral and pass an estimated value for the second piece of real estate collateral in the same transaction. Transactions with multiple pieces of real estate collateral must pass the same loan purpose and the same type of property value.

### ***A Note on Manufactured Homes***

A note on Manufactured Homes that are personal property: If a manufactured home that is personal property is being purchased at the same time as a piece of real estate in the same transaction (and thus the TRIDs are used), the code will sum the passed valuation amount of the manufactured home that is personal property with the passed valuation amount of the real property. The valuation amount of both the real estate and the personal property manufactured home must be the same, for example both must pass a sales price value.

### ***A Note on Separately valued Personal Property***

A note on personal property that is separately valued: In a seller transaction, if the borrower and seller have agreed to a separate price in the purchase agreement for personal property (that is not a manufactured home) and the creditor indicates the personal property is separately valued, then the separately valued personal property amount will be subtracted from the passed total sales price amount.

### **Borrowers**

The Closing Disclosure has space to only print the name of the first two borrowers passed and the address of the first passed borrower on the main form, thus if there is more than one borrower in a transaction, a Closing Disclosure Addendum will be generated to print the names and addresses of all borrowers to the transaction. Further, the user has the option to print "and" between the two borrower names if the user maps the schema path to tell Expere on which line to print the "and". The user can elect to print the "and" at the end of the first borrower name line or at the beginning of the second borrower name line if the user wants it to print at all to maximize space for the names. Please note, in the event that a borrower is a sole proprietorship, a d/b/a name will not print in the borrower name block as there is insufficient space to include it.

The order of the borrower names that will print in date and parties may not be the same order in which they are passed. Normally, Expere will print the party names in the order in which they are passed,

however, because of space constraints only certain signatures will fit on the main Closing Disclosure form when a user elects to include signatures. In order to be consistent between the two sections, the Date and Parties will print the two borrower names on the main Closing Disclosure in a particular order to match up with the signatures that would appear on the main form. The order is as follows: individual borrowers first, if any, followed by trustee name(s) for a trust when all the trustees are individuals and there is no trust instrument date passed. Then if both borrower name spaces have not been used and there are additional borrowers passed, then the following borrower names will print in no particular order: Illinois Land Trust, an entity party borrower, and trustee(s) for a trust that are entity trustees or trustee(s) of a trust that has a passed trust instrument date because these party types will not have signatures printing on the main form due to space constraints.

The following character limitations apply in order to maintain the required model format: the first address line of the borrower is limited to 32 characters, at which point the address of the first line will be cut off; on the second line of the address, the city is limited to 22 characters to ensure needed space is available for the state and postal code. If a borrower has a foreign address that is longer than two lines, then the first two lines will print on the Closing Disclosure and then the entire address will print on the Closing Disclosure Addendum.

Note on second line street addresses: The second line street address, when passed, for the borrower will print on the main form under the following two conditions: (1) there is only one borrower or (2) the total character count for both the first and second line street addresses passed will fit on the one line of space available for the street address when there is more than one borrower. If there is more than one borrower, the Addendum will be generated and both street addresses will always print for each borrower on the Addendum.

## Sellers

A seller name block will only print on the Closing Disclosure when the loan transaction includes at least one seller. As with borrowers, the Closing Disclosure has space to only print the name of the first two sellers passed and the address of the first passed seller on the main form. If there is more than one seller in a transaction, a Closing Disclosure Addendum will be generated to print the names and addresses of all sellers to the transaction. As with borrowers, the user has the option to print “and” between the seller names provided the user maps the schema path and elects to print “and” at the end of the first seller name line or at the beginning of the second seller name line. This provides the user with the greatest flexibility to maximize the space for seller names.

The following character limitations apply in order to maintain the required model format: the first address line of the seller is limited to 32 characters, at which point the address of the first line will be cut off; on the second line of the address, the city is limited to 22 characters to ensure needed space is available for the state and postal code.

Note on second line street addresses: The second line street address, when passed, for the seller will print on the main form under the following two conditions: (1) there is only one seller or (2) the total character count for both the first and second line street addresses passed will fit on the one line of

space available for the street address when there is more than one seller. If there is more than one seller, the Addendum will be generated and both street addresses will always print for each seller on the Addendum.

### **Loan Term**

The user is expected to pass the Loan Term as a count of the number of months of the loan term. For example, a 10 year loan would be passed as term in months count of 120. Expere will then determine and print the number of years and number of months (if not in whole years and longer than 24 months) or it will print the number of months, if the loan term is less than 24 months. For an adjustable rate loan, if interest rate changes may affect the term of the loan, then the user also passes a maximum loan term (in months) and Expere will print a range for the loan term.

### **Purpose**

Expere will print the purpose (Purchase, Refinance, Construction or Home Equity) as indicated by the terms of the transaction in the passed xml. One note about multiple pieces of real estate collateral: If there are multiple pieces of real estate collateral in the transaction, all pieces of real estate collateral must have the same purpose. A user cannot pass a piece of real estate collateral for purchase and one for refinance in the same transaction.

### **Product Field**

Expere will not populate the Product field for the user; instead the user must pass this description. The final regulation has particular requirements as to what to include in this field and in what order it must print. Information from the regulation and commentary has been included in the REQ file business logic to assist the user in determining what and how to pass the necessary information in this string field. Due to formatting and space constraints, the user cannot pass a Product description that is longer than two lines. However, to optimize the amount of space in the field to ensure that the longest required combination of terms will fit, Expere has not imposed a character count in this field. It is expected that the user will not pass a Product description that is longer than two lines. Below is the information included in the field's business logic to help the user determine what to pass on these lines, which comes from the final regulation and its official staff commentary located at 12 C.F.R. Part 1026.37(a)(10).

The Product field must contain a description of the loan product and shall include the features that may change the periodic payment: Negative Amortization, Interest Only, Step Payment, Balloon Payment, and Seasonal Payment. The duration of the relevant payment feature must also be disclosed with a Negative Amortization, Interest Only, Step Payment or Balloon Payment loan and will print before the feature name. A duration of time is not included for a Seasonal Payment feature. If the loan can be described with more than one of the above features, only the first applicable feature is disclosed in the order of priority that is listed in the final regulation. The feature, if one is applicable, is then followed by a second piece of information to describe the interest rate that applies to the principal balance: Adjustable Rate, Step Rate (currently out of scope) or Fixed Rate. Each interest rate description must also be preceded by the duration of any introductory rate or payment period and the first adjustment period as applicable. If there is no applicable interest rate adjustment feature, then list only the type of

interest rate preceded by any introductory rate and first adjustment period, as applicable. Examples include: "5/3 Adjustable Rate"; "0/3 Adjustable Rate"; "10/1 Step Rate"; "Fixed Rate"; "5 Year Negative Amortization, Fixed Rate"; "5 Year Step Payment, Fixed Rate"; "Year 7 Balloon Payment, 3/1 Step Rate"; and "Seasonal Payment".

For adjustable rate and step rate loans with no introductory period, print "0" for the introductory period. If the introductory period or adjustment period does not equate to a whole number of years and the period is 24 months or greater, then disclose the whole number of years followed by a decimal for the remaining months, for example, 31 months would be 2.58. But if the introductory period or adjustment period does not equate to a whole number of years and the period is less than 24 months, then disclose the number of months followed by the "mo." designation such as 18 mo. If frequency of adjustments is more than monthly, disclose the applicable unit period such as daily, weekly, or bi-weekly. Examples are: "2.58 Adjustable Rate"; 18 mo./18 mo. Adjustable Rate"; and "0/Weekly Adjustable Rate."

### Loan ID

Expere allows for an alpha-numeric loan ID number which means both letters and numbers can be passed in this field. The Loan ID on both the Loan Estimate and the Closing Disclosure (in the Date and Parties as well as Tagline sections) must match, but for an extension for a re-disclosure number. Because of the three column format of the Closing Disclosure's Date and Parties section, this restricts the amount of space allowed for a Loan ID in both disclosures and their taglines.

Additionally, in the event a Closing Disclosure is re-disclosed, then the Loan ID should include an added sequential number to the end of the Loan ID to identify which version of the re-disclosed Closing Disclosure it is. For example, if a base Loan ID of ABC1234567 is used, then if that Closing Disclosure is re-disclosed, the re-disclosed Closing Disclosure Loan ID will print as ABC1234567-01. Thus, the user must reserve space to add in a hyphen and up to a two digit sequential number after the Loan ID in the event the form is re-disclosed. Expere does not reserve space for the re-disclosure number, but the need for the user to reserve space for a possible re-disclosure number later places an additional restriction on the length of the Loan ID.

Expere does not impose a character count on the Loan ID in the code, to maximize the amount of space, but the user is limited to only that which will fit on one line in the Closing Disclosure. The user is further limited by the need to reserve three characters of space for the inclusion of a re-disclosure sequence number.

Based on various character sizes, here are a list of counts as to what will fit: 10 capital 'W's plus reserved space for a hyphen and two re-disclosure digits; 14 lower case 'w's plus reserved space for a hyphen and two re-disclosure digits; 23 '1's plus reserved space for a hyphen and two re-disclosure digits; 20 '7's plus reserved space for a hyphen and two re-disclosure digits. Thus, because the size and width of letters and numbers are not the same, the exact character count length that a Loan ID may be is dependent on which letters and numbers are used and in what combination. For example, in one combination 20 characters may fit, but in another combination only 12 may fit. What is known is that a

capital 'W' is the widest character so that at least 10 characters will fit, plus the three reserved spaces for a re-disclosure number to be added on later.

## Loan Terms- Same as Loan Estimate

The Loan Terms table appears on page 1 of the Closing Disclosure. Expere requires users to indicate whether or not the loan amount, interest rate, or periodic principal and interest amount can change over the life of the loan as well as whether or not a prepayment penalty or balloon payment feature applies. If true, then various bullet points of text will print based upon additional information passed by the user. Because the number of bullets can differ depending upon the terms of the loan transaction, space in these rows may flex according to the number of bullets that print.

When it comes to date descriptions in the Loan Term bullets that must identify when changes will begin to occur or when a maximum is reached, the user is expected to pass that date description as part of a string field. Expere will not determine what that time frame description is. For information on what the date description should be, user should refer to the final regulation and its commentary for further guidance. One final item of note, in some cases, if a user fails to pass required information, such as a date description in a bullet point, a two inch blank line will print to signify that the user is missing required information that must be passed and may cause the page to overflow. In which case, the user must pass the missing information to remove the blank lines and ensure the page is properly formatted.

## Projected Payments

### Columns

Expere will not determine the number of columns nor the values that are to print in a given column in the Projected Payments table that appears on page 1 of the Closing Disclosure. Expere will know how many columns to print based on the number of projected payment schema element containers that are passed. The user is expected to pass one projected payment schema element for each column on the Closing Disclosure, in the order in which they are to print on the Closing Disclosure. For example, if the loan transaction requires three columns, then the user is to pass three projected payment schema element containers for the Closing Disclosure; the first element would contain the xml to populate the first column on the Closing Disclosure, the second element container would contain the xml to populate the second column on the Closing Disclosure, etc. It would be user error to pass the information that prints in the third column in the first projected payment element container as then the information will print out of order on the form.

For each Closing Disclosure projected payment element container, the user will need to pass the following information, as applicable, to populate each column:

- Starting year and, if applicable, ending year that applies to the column.
- Indicate if the periodic payment is a range.
- The amount of the periodic payment, or if a range, then the minimum and maximum amounts for the range.
- Indicate if any payment in the column is an interest only payment.

- Indicate if the payment is a final balloon payment, and if so, the amount of the final balloon payment.
- The amount of the mortgage insurance payment, if it applies.
- The amount of the escrow payment, if it applies.
- The total amount of the periodic payment (or the minimum and maximum if a range), if the user wants to calculate it themselves and pass it; otherwise Expere will sum this total.
- The Integrated Disclosure Type to signify the column is to print on the Closing Disclosure.

### **Estimated Taxes, Insurance and Assessments – Same as Loan Estimate**

To populate the Estimated Taxes, Insurance and Assessments section of the Projected Payments table on page 1 of the Closing Disclosure, a user will pass a given tax, insurance or assessment item as either an escrow item, an escrow item that is waived or a non-escrowed estimated property cost. Which collection/container the item is passed under will indicate to Expere whether the item is to be escrowed or not (unless it is a waived escrow item). The box will check to indicate the item is included in the total amount based on whether or not the item is passed, regardless of which collection/container it is passed under. For example, if a user passes city property taxes as an escrow item (whether it is waived or not), then the box next to Property Taxes will check and the 'In Escrow' column will print "YES" if it is not indicated to be a waived escrow item and "NO" if it is indicated to be a waived escrow item. If the user passes city property taxes as an estimated property cost (non-escrowed item), the box next to Property Taxes will be checked and the 'In Escrow' column will print "NO." If the user does not pass city property taxes as an escrow item or an estimated property cost (non-escrowed item), then the checkbox next to Property Taxes will not check and nothing will print in the 'In Escrow' column.

For the "Other" checkbox, please note that the final regulation specifies that if there is more than one other item, the first item name is to print followed by "and additional costs." The user is limited to passing only 20 characters for a user defined item in the other field to ensure adequate space is available to print "and additional costs" if there is more than one item passed; however we do not code for this character limitation so the user is responsible to pass an item name that is 20 characters or less.

For all three checkbox rows, if there are multiple items for a given line, the 'In Escrow' column will print "YES" if all items passed for the line are escrowed and no escrow items are waived, "NO" if all items passed for the line are not escrowed or waived escrow items, and "SOME" if it is a mixture of escrowed, waived escrow and non-escrowed items.

### **Costs at Closing Table – Same as Loan Estimate**

There are two variations of the Costs at Closing table that appear at the bottom of page 1 of the Closing Disclosure: the main version is for a transaction with Sellers and the alternate version is for a No-Seller transaction. Both versions have the two rows for the Estimated Closing Costs and the Cash to Close. The variations come in the Cash to Close row in that From and To checkboxes are added for a No-Seller transaction. The No-Seller version relies on the checkboxes to indicate if the resulting amount is a positive or negative number by signifying that the cash is From the borrower when it is positive, and To

the borrower when negative. The Seller version does not include the checkboxes so a negative sign will print in the event the Cash to Close total amount is a negative number and thus an amount given to the borrower.

There are two other items to note about this section. The first is that if the dollar amount that prints is greater than \$99,999.99 or less than -\$99,999.99, then in order to get the number to fit in the space allotted, the number will print in a reduced font size. The second is that Expere does not calculate the Cash to Close total amount. The user is expected to pass it as a closing information detail item. If it is passed as a cash to borrower at closing amount, Expere will know to check the To box or print a negative number. If it is passed as a cash from borrower amount, Expere will know to check the From box or to print a positive number, depending upon which table version is used.

## Closing Costs

### Fee Passing Basics

For a fee to print in the Closing Costs section on page 2 of the Closing Disclosure, a user must pass the following: Closing Disclosure section type, name of the fee, to whom the fee is paid, which party or parties are paying the fee, who is paying what amount, whether the amount is paid at or before closing, and in some cases a payment frequency, number of payments and amount of each payment. The Closing Disclosure section type is required because that is how Expere determines in which category to print the fee on the Closing Disclosure. The Closing Disclosure section type options are: Origination Charges (sub-section A), Services Borrower Did Shop For (sub-section B), Services Borrower Did Not Shop For (sub-section C), Taxes and Other Government Fees (sub-section E), Prepays (sub-section F), Initial Escrow Payment at Closing (sub-section G) and Other (sub-section H). The Did Shop For and Did Not Shop For sections are the equivalent of the Can Shop For and Cannot Shop For sections of the Loan Estimate. All fees are to be passed under the FeesAndChargesBaseFees collection/container and since the Closing Disclosure does not use the same schema paths for section type and amounts that are used on the Loan Estimate, the user only need pass each fee once in the transaction xml to populate both documents, provided all required schema paths has passed xml to print the information on both TRID disclosures.

When it comes to the name of fees, users can select from a pre-populated enumerated list or pass a user defined fee name. It is important to note, that due to space constraints, not all fee names will fit in the space allotted on the form, particularly in the Initial Escrow Payment at Closing section. Expere provides the user with the option to pass a fee short name for each fee so the user can abbreviate the fee name to fit in the space provided on the form. If the user opts to use the fee short name, then that fee short name will print on the form rather than the full fee name. The user must still pass both the fee name and the fee short name, when the fee short name option is used, because all other documents in the transaction will print the full fee name except the Loan Estimate which will also print the fee short name.

Whether the user opts to use the fee short name or print the pre-populated enumerated list fee name, the user is expected to ensure that the length of the fee name fits in the space allotted for that line on

the form and that the fee name does not wrap to a second line. If a fee name wraps to a second line, the user is expected to pass an abbreviated fee short name for the fee name as the regulation does not allow fee names to print on more than one line. Expere does not truncate or institute a character count limitation in the fee name lines to prevent wrapping in order to provide users with the maximum amount of characters possible to be used in the limited space that exists.

On the Closing Disclosure, users must also pass and print a Paid To name for the person or company receiving the fee. This information is not included on the Loan Estimate. It also requires Expere to reserve space to print a Paid To name, thus impacting the amount of space to print a fee name on the Closing Disclosure. In the Origination Charges, Services You Did Shop For and Services You Did Not Shop For, the user has 25 characters (which includes "Title-") for the fee name and 27 characters for the Paid To name. For Taxes and Other Government Fees, Prepaids and Initial Escrow Payments at Closing section, the user has 43 characters to share between the fee name and paid to name for the non-hardcoded lines. The Other section allows for 18 characters for a fee name (not including (optional)) plus 27 characters for a paid to name. As with fee names, the user is expected to pass a Paid To name that fits in the space allotted on the form and does not cause the line to wrap to a second line of text as that is not permitted. Expere does not truncate or implement a character count limitation for the Paid To name in order to maximize the amount of characters a user may pass for the name.

When it comes to passing amounts, on the Loan Estimate the user passed as single estimated amount and did not need to identify who was paying the fee, except in the Taxes and Other Government Fees section. On the Closing Disclosure, however, Expere is required to itemize out by separate columns who paid which fee and at what time it was paid. Expere then prints the amount in the appropriate column as either borrower paid at closing, borrower paid before closing, seller paid at closing, seller paid before closing, paid by others or in some combination thereof. Therefore, users will pass payment information for each fee by passing a payment amount in the appropriate timing schema path for each party making a payment towards the total fee cost.

### **Fee Name Monikers**

The final regulation requires that two monikers may need to print in addition to the fee name. The first is "Title-". If a fee is a title service fee, then "Title-" has to print in front of the fee name such as "Title-Abstract or Title search". In Expere, if the fee name is selected from the enumerated list and it begins with title, then "Title-" will print; otherwise for user passed and all other enumerated fee names, the user must indicate that the fee is a title fee in order for "Title-" to print before the fee name.

The second moniker is "(optional)" and may only appear in the "Other", sub-section H, section of fees. In order for "(optional)" to print after the fee name, such as "Owner's Title Insurance (optional)", the user must indicate that a fee is an optional fee.

### **Taxes and Other Government Fees**

The Taxes and Other Government fees, sub-section E, on the Closing Disclosure is required to disclose all fees, regardless of who pays them; whereas on the Loan Estimate only borrower paid transfer tax fees were aggregated and all non-transfer tax fees, regardless of who intended to pay it, were aggregated

and disclosed on one of two lines. Here the user will still pass each individual fee for this section like all other sections and will separately itemize each transfer tax fee on the Closing Disclosure. Expere will however still group the non-transfer tax fees together onto the one recording fee line just like on the Loan Estimate.

### **Property Taxes**

The Property Tax hardcoded lines in both the Prepaids, sub-section F, and Initial Escrow Payments at Closing, sub-section G, are treated the same way. Expere has elected to print the first property tax type that is passed as either City Property Taxes or County Property Taxes on the hardcoded line. In the event that both are passed, or additional property taxes such as School or Village Property Taxes are passed, the additional ones will print on a separately itemized line in their respective fee section. Expere does not aggregate and print a sum of all property taxes on the same hardcoded line because all fees are to be separately itemized on the TRIDs and the number of payments collected may be different for each type of tax.

### **Frequencies in Prepaids and Initial Escrow Payments at Closing**

Expere will print the same frequency for all fees passed in the Prepaids, sub-section F, and the same frequency for all fees passed in the Initial Escrow Payments at Closing, sub-section G. The frequency in the Prepaids section, however, may be different from that of the Initial Escrow Payments at Closing section. The frequency that will print in each of these sections will be the frequency listed for the first fee passed for that section. Expere does this for two reasons: to match the formatting of the model form and also because it is easier and clearer for the consumer to understand the fees and connect it to their periodic payments. If no fee is passed for the hardcoded lines in these fee sections, then Expere will match the models by printing blank spaces to reserve space for the amounts and printing the default frequency of “month” or “mo.” as the frequency.

### **Additional Notes on the Initial Escrow Payments at Closing Section**

Due to space constraints in the Initial Escrow Payments at Closing, sub-section G, the amount of fee to be placed in escrow for each period is limited to \$99,999.99 as that is all the space that is allotted for it. The number of periods collected is also limited to 3 digits (999) due to space limitations. Additionally, the alignment of the text to print the per period specific information was slightly shifted to the right to allow for more space for the fee name, in which case, this information will no longer line up with the “to” for paid to names in the other fee category sections.

### **Aggregate Adjustment**

This line is a hardcoded line that will always print as the last line in the Initial Escrow Payment at Closing, sub-section G, so it will not print in alphabetical order per the regulatory requirement. The Aggregate Adjustment does not print on the Loan Estimate, it only prints on the Closing Disclosure.

### **Paid By Others Column**

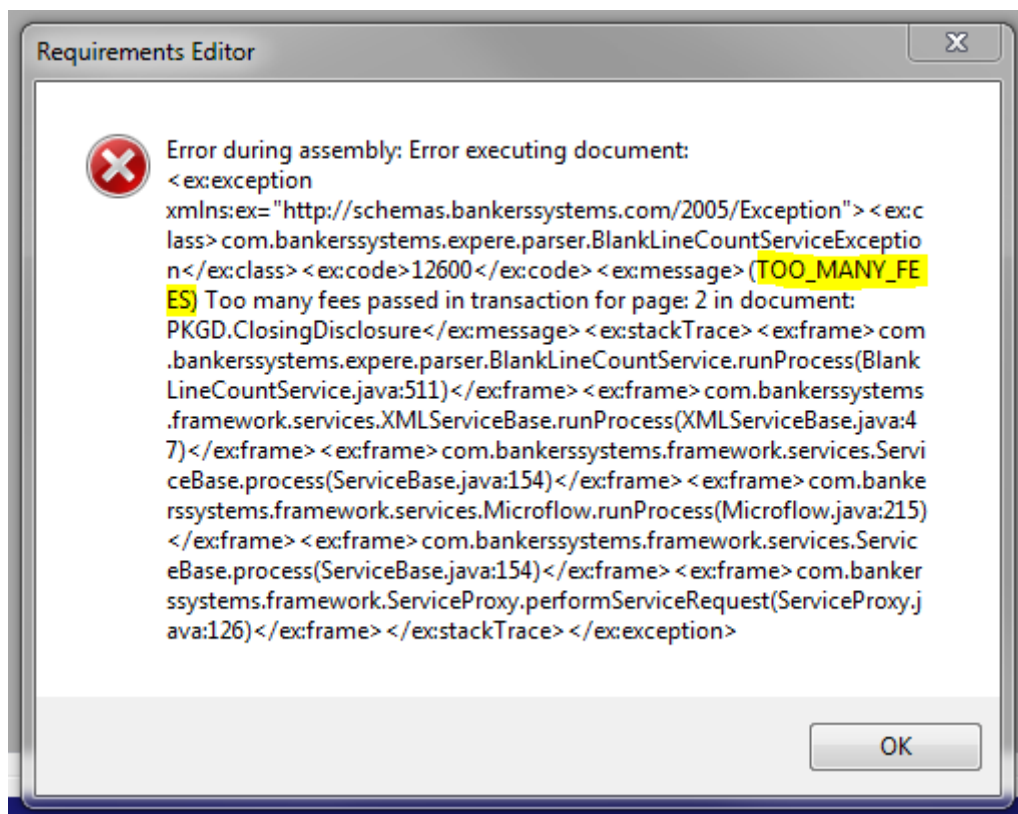
Expere will provide users with an option to print “(L)” in the Paid by Others column prior to the dollar amount disclosed to identify that the lender is paying the fee. This optional feature may be turned on by passing the Integrated Disclosures Include L In Paid By Others Column indicator as true. The (L) will only print prior to the amount for lender paid fees only. If the fee is split between lender and a third party or

paid by a third party entirely, the (L) will not print. The (L) will not print unless the user turns on this functionality by using the indicator.

### Number of Fees

The final regulation does not place a specific limit on how many fees may print in each section of the Closing Disclosure like it does on the Loan Estimate. Instead, it requires all fees to be separately itemized and limits the number of fees to that which can fit onto two pages, with one additional caveat. The regulation requires that if there is insufficient space to print all Closing Costs on page 2, then the user may split the Closing Costs onto two pages, labeled as 2a and 2b. The caveat is that all Loan Costs must print on page 2a and all Other Costs must print on page 2b. Thus, a user may not pass more Loan Costs than will fit on page 2a nor pass more Other Costs than will fit on page 2b. The Closing Costs will not split onto two pages unless all space is used on page 2 first. Closing Costs are not allowed to overflow to the Closing Disclosure Addendum.

In Expere, the number of Closing Costs that will fit on page 2 are 39 non-hardcoded fees or less (or 49 total if passing all ten hardcoded fees). If more than 39 non-hardcoded fees are passed, then Expere will split the Closing Costs onto pages 2a and 2b. If Expere splits the Closing Costs onto pages 2a and 2b, then the user may pass up to 63 non-hardcoded Loan Costs (64 if including “Loan Amount (Points)” in Origination Charges), and up to 49 non-hardcoded Other Costs (57 fees if including the 9 hardcoded fees in Taxes and Other Government Fees, Prepaids and Initial Escrow Payments at Closing). If the user passes more than 63 non-hardcoded Loan Costs and/or more than 49 non-hardcoded Other Costs, then Expere will generate an error message (see below) letting the user know that the user is passing more fees than are allowed on the form and the Closing Disclosure will not generate.



The hardcoded Closing Costs fees that must always print on the Closing Disclosure, regardless of whether or not they are charged and passed are as follows:

- Origination Charges:
  - Loan Amount (Points)
- Taxes and Other Government Fees
  - Recording Fees
- Prepays
  - Homeowner's Insurance Premium
  - Mortgage Insurance Premium
  - Prepaid Interest
  - Property Taxes
- Initial Escrow Payments at Closing
  - Homeowner's Insurance
  - Mortgage Insurance
  - Property Taxes
  - Aggregate Adjustment

### Filler Lines

The model forms print blank "filler" rows in the Closings Costs section if there are not enough fees passed to fill up the page. Expere follows this example and will print filler blank lines to fill up page 2 or pages 2a and 2b as appropriate. To do this Expere established a base line number of fees for each

section that matches the model forms. Below is a list of the base line number of rows for each section as established in the model forms.

When the Closing Costs are on one page (meaning there are 39 or less non-hardcoded fees passed), the models show:

- **Section A** – 8 rows
- **Section B** – 10 rows
- **Section C** – 8 rows
- **Section E** – 2 rows
- **Section F** – 5 rows
- **Section G** – 8 rows
- **Section H** – 8 rows

When the Closing Costs are on split onto page 2a and 2b (meaning there are more than 39 non-hardcoded fees passed), the models show:

- **Section A** – 21 rows
- **Section B** – 21 rows
- **Section C** – 22 rows
- **Section E** – 14 rows
- **Section F** – 14 rows
- **Section G** – 14 rows
- **Section H** – 15 rows

Therefore, in Expere, if a Closing Cost section does not pass all of the fees the models show it can have, blank numbered rows will print in that section to fill it up to the above number of rows. If a user passes more fee rows than the models show a base number of rows for that Closing Costs section, then Expere will take and move row space from another section that is printing blank rows to the section that needs additional row space for more fees. For Example, if a loan transaction passes 20 non-hardcoded fees, and thus has one page of Closing Costs and the user passes 12 origination charges, then 12 origination charges will print, but four additional rows of space will be re-allocated from the other 6 fee sections to the Origination Charges section. Generally, Expere will evenly re-distribute the space as best it can when moving row space around.

To clarify, a user is not limited to passing only the above listed number of fees for each section, but rather, these base line numbers of rows for a section are only used as a starting point for Expere to determine how many lines (passed or blank) should print in a given section as a base. With an established base line, Expere can then determine where rows can be moved from if additional row space needs to be added to another section that passes more fees than the base provides space for.

When the Closing Costs fit all on one page, the Closing Disclosure must always print 49 rows between hardcoded fees, non-hardcoded fees and blank rows. When the Closing Costs split onto two pages, 2a and 2b, the Closing Disclosure must always print 64 rows between hardcoded fees, non-hardcoded fees

and blank rows on page 2a for Loan Costs and it must always print 57 rows between hardcoded fees, non-hardcoded fees and blank rows on page 2b for Other costs.

### No Seller Transactions

When a loan transaction does not include sellers, such as in a refinance, the Closing Costs page of the Closing Disclosure will only have three columns for fee amounts instead of five columns. The two Seller Paid columns (At Closing and Before Closing) will be removed as they are not applicable to the transaction. This modification is provided for in the regulation's requirements.

### Calculating Cash to Close

The Calculating Cash to Close table appears on page 3 of the Closing Disclosure. There are two different versions just like in the Loan Estimate. The main Calculating Cash to Close table is used for a Seller transaction, consists of 8 rows and is located at the top of page 3. The alternative Calculating Cash to Close table is used in a Non-Seller transaction, consists of only 5 rows, includes the From/To checkboxes and is located at the bottom of page 3. While the row contents of the two versions are different (see included samples of each below), both tables consist of three columns. The first column is the Loan Estimate column and prints the same rounded data that was printed on the Loan Estimate for this table. The second column is the Final column which prints the un-rounded numbers associated with the Closing Disclosure. The third column is a Did this Change column to provide consumers with additional information about where to find more information to explain the change in the disclosed amounts between the two documents.

In order to populate the Calculating Cash to Close tables, the user must pass the final amount to print on each row of the Final column under the cash to close items collection container. The user will identify the cash to close item type from an enumerated list for the row and then pass the final amount that will print in the final column on the Closing Disclosure. The Loan Estimate amounts should already be in the xml from the application phase, and if so, the user would not need to re-pass that information. Expere will not calculate these amounts and will not pull in the value from other schema paths even though it may print elsewhere on the form, such as the Total Closing Costs (J) amount. Expere will however, print the negative sign as appropriate so the user is expected to pass all but one value as a positive number. The exception is for the final amount of Adjustments and Other Credits, as that final column row amount may be positive or negative at any given time, Expere will print the amount exactly as passed; thus if that amount is a negative number, users are expected to pass that amount as a negative number. Users are also expected to indicate whether or not the amount has changed (not solely due to rounding) and in some cases, pass additional information to populate any necessary bullet points that print when the user indicates the amount changes.

As with the Loan Estimate, the Cash to Close amount total is not passed as a cash to close item, but as a closing information details item that is either the cash to borrower at closing amount or the cash from borrower at closing amount. This will also print as the Cash to Close amount at the bottom of the Borrower's Summary of Transaction column in a Seller version of the Closing Disclosure, as well as always at the bottom of page 1. Because this Cash to Close total amount prints in multiple places and it is not a total that Expere calculates, it is expected that the user will pass the correct amount to equal the

total Cash to Close amount that is passed. Expere will not double check to make sure the math matches up with the passed Cash to Close amount. Finally, for a No-Seller version, when the checkboxes appear, the Cash to Close amount will always print as a positive number, relying on the checkboxes to indicate if the amount is to or from the borrower. For a Seller version the Cash to Close amount will print as a positive number when it is from the borrower and a negative number when it is to be given to the borrower because there are no checkboxes to indicate that.

### Example of Seller Version

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Sections K and L
<b>Cash to Close</b>	<b>\$16,054.00</b>	<b>\$14,147.26</b>	

### Example of No-Seller Version

Calculating Cash to Close		Use this table to see what has changed from your Loan Estimate.	
	Loan Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	NO
Total Closing Costs (J)	– \$5,691.00	– \$6,156.60	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$440.00	YES • You paid these Closing Costs before closing
Total Payoffs and Payments (K)	– \$120,000.00	– \$151,000.00	YES • See Payoffs and Payments (K)
<b>Cash to Close</b>	<b>\$24,309.00</b>	<b>\$6,716.60</b>	
<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower		<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$5,691.00

## Summaries of Transactions

The Summaries of Transactions table prints on page 3 of the Closing Disclosure when there is a seller in the transaction. It will not print for a No-Seller transaction. It consists of both a Borrower's Transaction column and a Seller's transaction column. Most of the schemas used to populate this table are new collections and containers, although a few fields such as Sales Price or Total Closing Costs Paid at Closing due not print using schema in the new collections and containers because they are used elsewhere in the transaction or elsewhere in the Closing Disclosure and Expere re-uses that code. The two columns are a mixture of their own column specific information as well as shared information that must print in both columns. In the case of shared information that prints in both columns, the same code rules were used in both places on the form to ensure consistency.

### Row Functionality

The sections of the Summaries of Transactions table consist of both hardcoded and non-hardcoded rows. The hardcoded rows will always print, whether or not the item is passed. If there are no non-

hardcoded items passed, blank lines will print to fill the table so that it will match the number of rows on the model forms. Expere will not move row space around in this table like it does for Closing Costs.

Below is a list of which rows that must match in both columns of the table:

- K1 & M1
- K2 & M2
- K5-7 & M3-8 (although M3-8 may list the items in a different alphabetical order, and may also print other additional items that are not K5-7 as this section prints a combination of items)
- K8 & M9
- K9 & M10
- K10 & M11
- K11 & M12
- K12 & M13
- K13 & M14
- K14 & M15
- K15 & M16
- L3 & N3
- L4 & N6, 7 but only if printing split Seller Credits or Seller Credits that are POC.
- L5 & N8
- L12 & N14
- L13 & N15
- L14 & N16
- L15 & N17
- L16 & N18
- L17 & N19

### **New Collections and Containers**

The schema collections and containers that are used to populate this table are as follows: closing adjustment items, proration items, closing cost funds, closing liabilities, and closing information details which populates the Cash to Close and Cash amounts as well as their associated checkboxes. Expere used some of the collection/containers from the Uniform Closing Data set schemas to populate this table. If the user maps and passes the items as indicated below, a compliant form will be generated even though not all the mappings exactly match the Uniform Closing Data set at this time. Expere also differed from the Uniform Closing Data set to re-use the same code and data items in fields that the regulation requires to match in both columns so the user only has to pass the item in the xml once, instead of twice using different mapped schemas.

### ***How to Populate the Open Line Items Using the New Collections and Containers***

#### **Borrower's Column**

For the top section K-Due from Borrower at Closing-open fields, line K4 is populated using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of

Due from Borrower at Closing and is not indicated to be a contractual adjustment. Line K4 may also be used to separately disclose the cost of the real estate sales price from the construction cost or manufactured home purchase price. If this is the case, then Line K1 and M1 will not print a sales price and then K4 will state see addendum and both separated values will print on the Closing Disclosure Addendum for the K4 line. This option is accomplished by the creditor indicating they want to separately disclose the Land Sale Price From Purchase Price Or Construction Cost then passing the real estate portion of the sales price and either the non-real property breakdown construction cost portion of the sales price or the non-real property sales price breakdown manufactured home portion of the sales price. The Adjustment lines of K5-7 which are populated using the same Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of Due from Borrower at Closing as K4 but these K5-7 items are indicated to be contractual adjustments and have a subsection type of Adjustments. The Adjustments for Items Paid by Seller in Advance lines K8-15 are populated by using the Proration Items-Proration Item collection/container schema paths with a subsection type of Adjustments for Items Paid by Seller In Advance. Then for each such item passed, regardless of which collection/container is used, the user has to pass the respective item type enumerated value name for the item (or the item type short name to abbreviate the name), the timing type, the amount and in some cases the paid by type, the paid from date and the paid to date that exists under the appropriate collection/container for that item to populate on the form in the desired location. Note that lines K1-3 use schema paths not from the new collections and containers to populate the fields.

For the bottom section L-Paid Already by or on Behalf of Borrower at Closing-open fields, line L4 is populated using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of Paid Already by or on Behalf Of Borrower at Closing and either (i) a subsection type of Items Paid by or for Borrower Pre Seller Credit Line or (ii) or no subsection type and the item type is Seller Credit with the split fee indicator set to true for the item and a timing type of paid at closing (this is for when seller credit is split between being paid at closing and before closing and must appear on two lines). Alternatively, L4 can also be populated using Closing Liabilities- Closing Liability collection/container schema paths with a section type of Paid Already By Or On Behalf Of Borrower At Closing, a subsection type of Items Paid By Or For Borrower PreSeller Credit Line and a Liability Type of Subordinate Lien Proceeds. L5 is populated using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with an item type of Seller Credit and it is not indicated to be a split fee (or it is a split fee and this is the before closing amount). When it is not split between parties or between the time paid, the Seller Credit will always print on L5 whether passed with a timing type of At Closing or Before Closing. For Other Credits on lines L6 & L7, these lines are populated using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of Paid Already by or on Behalf of Borrower at Closing and a subsection type of Other Credits. For Adjustments in lines L8-11, these lines are populated using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of Paid Already by or on Behalf Of Borrower at Closing and a subsection type of Adjustments. Lines 12-17 that are Adjustments for Items Unpaid by Seller, are populated using the Proration Items-Proration Item collection/container schema paths with a subsection type of Adjustments for Items Unpaid By Seller. Then for each such item passed, regardless of which collection/container is used, the user has to pass the respective item type

enumerated value name for the item (or the item type short name to abbreviate the name), the timing type, the amount and in some cases the paid by type, the paid from date and the paid to date that exist under the appropriate collection/container for that item to populate on the form in the desired location. Note that lines L2 and L3 do not use schema paths from the new collections/containers. L1 uses the new Closing Cost Funds-Closing Cost Fund collection/container schema paths with a section type of Paid by or on Behalf of Borrower at Closing.

### Seller's Column

For the top, section M-Due to Seller at Closing-lines M3-8 can be populated in one of two ways. The first way is for contractual adjustments that are listed in section K lines 5-7. The same code is used in lines M3-8 that is used to populate section K5-7 so the user will pass those items once to populate K5-7 and then they will also appear in M3-8 automatically (though they may be in different order and mixed in with non-matching items alphabetically). The other way to populate lines M3-8 (when they are not contractual adjustments from lines K5-7) is by using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths with a section type of Due To Seller At Closing. Then for each such item passed that is not a contractual adjustment from K5-7, the user has to pass the respective item type enumerated value name for the item (or the item type short name to abbreviate the name), the timing type, the amount and in some cases the paid by type under the appropriate collection/container for that item to populate on the form in the desired location. For lines M9-16 which are the Adjustments for Items Paid by Seller in Advance, these lines are matched copies of lines K8-15 prorated items so once the user passes them under the Proration Items-Proration Item collection/container to populate K8-15, they will also then appear in M9-16 (so the user doesn't have to pass it a second time for this section). Note that lines M1 & M2 do not use the new collections/containers and are the same as lines K1 & K2 so the user does not need to pass them a second time.

For the bottom, section N-Due from Seller at Closing-line N1 is populated by using the Closing Cost Funds-Closing Cost Fund collection/container schema paths with a section type of Due From Seller at Closing, along with the funds type, source type and funds amount. N4 & N5 are populated using the Closing Liabilities-Closing Liability collection/container along with the liability type, and payoff amount. Lines N6 & N7 can be populated in one of two ways. The first way is if there is a seller credit that is a split fee that will be a carryover and match to a split fee that is passed and appearing in line L4 when it needs to print as two separate line items so the user would not need to pass this twice. The second way to populate N6 & N7 are for items that are not split seller credits and are thus populated by using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths that have a section type of Due From Seller at Closing and a subsection type of Other Items Due From Seller Pre Seller Credit Line. N8 is a match to line L5 for the hardcoded seller credits so the user passes this once to satisfy line L5 and it will print on both lines without the user having to pass it a second time for this part of the table. Lines N9-N13 are populated by using the Closing Adjustment Items-Closing Adjustment Item collection/container schema paths that have a section type of Due From Seller At Closing and a subsection type of Other Items Due From Seller Post Seller Credit Line. For lines N14-19 which are the Adjustments for Items Unpaid by Seller, these lines are matched copies of lines L12-L17 prorated items

so once the user passes them under the Proration Items-Proration Item collection/container to populate L12-L17, they will also then appear in N14-19 (so the user doesn't have to pass it a second time for this section). Then for each item, the user has to pass the respective item type enumerated value name for the item (or the item type short name to abbreviate the name), the timing type, the amount and in some cases the paid by type or the split fee indicator under the appropriate collection/container for that item to populate on the form in the desired location. Note that lines N2 & N3 do not use the new collections/containers to populate the fields.

### Space Issues

Like other locations in the Closing Disclosure, the Summaries of Transaction table also has space limitations due to the format of the model forms. Expere reserves space to print up to 13 digits plus a dollar sign for the paid at closing amounts in this table. That leaves users will 37 characters for non-hardcoded item lines to pass the item name (and dates for a prorated item when included), when the item is not paid outside of closing. Users have less space to print an item name when it is paid outside of closing and for proration items where the dates are also passed. For example: If the item is paid outside of closing (POC) by the borrower, then the user has 30 characters to print the item name and POC amount, as POC amounts do not print in the right side of the column, only paid at closing amounts print on the right margin. If the item is paid outside of closing by the seller, then the user has 32 characters to print the item name and POC amount. Since space is an issue to fit a full item name in some cases, Expere allows the user to pass an item short name, similar to a fee short name in Closing Costs, to print an abbreviated item name to fit in the space allotted when an item name is too long otherwise.

### Split Items

In the event an item listed in the Summaries of Transaction section is either split between parties or split between being paid at closing and paid outside of closing, the user will have to pass the item multiple times so each split item will print on its own row in the table. For example, if the seller credits are split and the seller pays \$500 outside of closing and \$2000 at closing, the user would pass 2 seller credit items, one for the \$500 POC amount and one for the \$2000 paid at closing amount. Similarly, if an item is paid by both a seller and a third party, the item would be passed twice, once for the amount paid by the seller and once for the amount paid by the third party.

### Cash to Close/Cash Fields

At the bottom of the Borrower's Transaction column is the Cash to Close field along with the From Borrower and To Borrower checkboxes. Likewise, at the bottom of the Seller's Transaction column is the Cash field along with the From Seller and To Seller checkboxes. Expere will not calculate these two amounts; the user is required to calculate and pass them. The user will pass them as a closing information details item and will pass the amount once as either being to the borrower or from the borrower for the Cash to Close field or as either being to the seller or from the seller for the Cash field. The schema path used to pass the total amount will tell Expere which box needs to be checked. Expere will not check the math of the calculation so the user must pass the correct amount and in the correct schema path for the corresponding checkbox.

### Item Overflow

All the open non-hardcoded lines in the Summaries of Transaction section are allowed to overflow onto the Closing Disclosure Addendum; therefore there is no limit to the number of items that a user can pass in any part of the table. If a user passes more items for a sub-part of the table than there are available rows on the main form, the last row will print “See Addendum for add’l information” along with an aggregated total of all the items listed for that row on the addendum and a Closing Disclosure Addendum will generate to print the additional items. The following rows may overflow onto the addendum: K4, K7, K15, L4, L7, L11, L17, M8, M16, N7, N13, and N19.

### Borrower Only Version

The only difference between the Closing Disclosure and the Closing Disclosure-Borrower Only is in the Summaries of Transaction table. While the main Closing Disclosure will populate both the Borrower’s Transaction column and the Seller’s Transaction column with their respective items and amounts, the Borrower Only version of the Closing Disclosure will print both the Borrower’s and Seller’s Transaction columns but the Seller’s Transaction column will print blank rows and no amounts. In other words, the Closing Disclosure-Borrower Only document will not print the passed data in the Seller’s Transaction column of the Summaries of Transaction Table even when it exists in the xml. Instead such information will only print on the accompanying Closing Disclosure-Seller only version.

### Payoffs and Payments Table

The Payoffs and Payments table will print at the top of page 3 of the Closing Disclosure but only on the No-Seller version. The Payoffs and Payments table replaces the Summaries of Transaction Table on page 3 when there are no sellers in the transaction. The user will pass a description of the payoff or payment along with the name of the person or entity being paid off and the amount of the payoff or payment. The table only allows for 15 rows of itemized payoffs and payments and does not allow for any overflow onto the addendum. Thus a user is expected to pass 15 or fewer payoffs and payments. If a user does not pass any or all 15 payoffs and payments, Expere will print a sufficient number of blank filler rows so as to print a full 15 row table.

### Loan Disclosures

Loan Disclosures encompasses several different sections on page 4 of the Closing Disclosure. This fourth page of the Closing Disclosure is set up in tables to match the formatting and space allotments of the model forms. Most of this page contains hardcoded text with checkboxes to indicate what text variation applies. The few sections with implementation issues are listed below.

### Late Payment

The Late Payment section is a combination of user passed and conditional data items that will build the language that prints on the form. It is consistent with how late payment language is set up in all other documents in an Expere transaction. In addition to the grace period and the description of the late fee amount, Expere may print additional state specific language for Indiana, Minnesota and South Carolina if certain conditions are met in the xml.

## Security Interest

The Security Interest paragraph will print all collateral that secures the transaction. Expere will print the address of the real estate collateral as well as the description the user passes for any other non-real estate collateral securing the transaction.

## Adjustable (AP) Table-Same as Loan Estimate

The Adjustable Payment (AP) Table will only print when it is required to print at the bottom of page 4 of the Closing Disclosure under the Security Interest section. The AP table is required only when the payment may change and the cause of the change is not due to a change in the interest rate. This table will print only if the xml indicates that there is an interest only payment or seasonal payments as part of the transaction. Step payments and Optional payments are currently out-of-scope for Expere. If there are no interest only payments and no seasonal payment feature, then the AP table will not print, but white space will appear instead to reserve the space for it.

If the loan has an interest only payment feature, the user must pass the interest only period description to describe the period during which the interest only payments are scheduled. Examples are “for your first 60 payments” or “from your 61<sup>st</sup> to 85<sup>th</sup> payment”. Consult the final regulation to determine the language required to be passed here.

If the loan has a seasonal payment feature, the user must also pass the seasonal payment period description that describes the period during which the applicant borrower will not have scheduled periodic payments.

In the event there are subsequent payment changes to the periodic principal and interest payment, the user must pass a description of the subsequent changes either expressed as years or as a number of payments. Consult the final regulation to determine the language required to be passed here. In the absence of any passed subsequent payment change description, Expere will print “No subsequent changes” by default.

## Escrow Table

When the user indicates the loan transaction has an escrow account, then the first table of the right hand column of page 4 will need to be filled out.

For the Escrowed Property Costs over Year 1 amount, the user is expected to pass a first year total payment amount for each individually passed escrow item that is not indicated to be waived. Expere will then sum the first year total payment amount for each item escrowed that is not indicated to be waived to populate the total amount that prints for Estimated Property Costs over Year 1 on the Closing Disclosure. For the Non-Escrowed Property Costs over Year 1 amount, this is a single user passed amount that Expere will then print on the Closing Disclosure, Expere will not calculate it. For the Initial Escrow Payment amount, Expere will re-use the code to print the amount that appears as the Closing Costs Section G subtotal amount as these are the same. For the Monthly Escrow payment amount, the user is expected to pass a payment amount for each individually passed escrow item that is not indicated to be waived which Expere will then sum together to print the total monthly payment amount for all passed escrow items and that are not indicated to be waived.

The descriptions of the escrowed property costs and non-escrowed property costs that appear in the first two rows of the table are tied to the first page's Estimated, Taxes, Insurance and Assessments portion of the Projected Payments of the Closing Disclosure. The items that are indicated to be included "In Escrow" on page 1 will also be listed and described in the first row of this table as escrowed property costs (but will not include escrow items that are indicated to be waived). Items that are indicated to not be included "In Escrow" on page 1 will also be listed and described in the second row of this table as non-escrowed property costs and will include escrow items that are indicated to be waived. This table provides consumers with a list of all the property costs associated with the transaction as it provides more specific details than page 1 does. Property Taxes will be individually itemized in this table instead of being grouped into one Property Tax line as they are on page 1. There is a space constraint here as well in that there are only seven lines of space to list escrowed property items and four lines of space to list non-escrowed property items. Due to the requirements and format of the model form, space cannot be moved around or added to make more items fit in this table. Property Costs also cannot overflow onto the addendum either.

Note that for two phase construction loans (i.e. construction to perm loans), with escrow only occurring in the second or permanent financing phase, if the user will not escrow an item in the first year after consummation of the loan because the second phase does not begin until year 2 or beyond, the user will have to indicate that the escrowed item will not be escrowed in the first year after consummation. When the indicator is set to true (indicating an escrow item, such as homeowners' insurance, will not be escrowed in the first year after consummation), that escrowed item will not be listed in the description of the Escrowed Property Costs over Year 1 row of the Escrow table and its monthly escrowed payment amount will not be added into the monthly escrowed payment amount in the last row of the Escrow Table.

#### **Adjustable Interest Rate Table- Same as Loan Estimate**

The Adjustable Interest Rate (AIR) table will print on page 4 of the Closing Disclosure under the No Escrow section only when it is required to print. If it is not required to print, white space will appear instead to reserve the space for this table. In Expere, the AIR table will print when the user indicates in the Loan Terms section that the interest rate may increase after consummation.

#### **Minimum Interest Rate**

Per the requirements of the final regulation, if the user does not pass a minimum interest rate, then by default the interest rate margin will print as the floor.

#### **Limits on Interest Rate Changes-Subsequent Changes**

Per the requirements of the final regulation, if there are multiple limits to the amount the interest rate may adjust after the first change, the user is to pass the greatest limit. Expere will not determine what the largest subsequent limit is because these kinds of calculated values are something the lender's Loan Origination Software (LOS) should derive as the LOS is the lender's system of record, not Expere.

## Loan Calculations & Other Disclosures

Expere will not calculate the amounts in the Loan Calculations section that appears on page 5 of the Closing Disclosure, the user is expected to pass them. For the Other Disclosures section, only two paragraphs are conditioned to print when the conditions are met: Appraisal and Loan Acceptance.

NOTE: The Total of Payments amount the user calculates, passes to Expere and is disclosed in the Loan Calculations on page 5 of the Closing Disclosure, must be calculated by the user per the new requirements of 12 C.F.R. 1026.38(o)(1) from the TRID final rule. This is a different calculation than the amount disclosed as Total of Payments on the existing Truth-in-Lending Disclosures under 12 C.F.R. 1026.18(h). The TRID final rule changed how this Total of Payments amount is to be calculated. While Expere does not calculate this amount, customers need to calculate it under the new rule and pass it to Expere.

## Contact Information

The Contact Information table on page 5 of the Closing Disclosure has two different variations, one for a Seller transaction and one for a No-Seller transaction. The Seller version consists of five columns: Lender, Mortgage Broker, Real Estate Broker (B), Real Estate Broker (S) and Settlement Agent. The No-Seller version consists of only three columns: Lender, Mortgage Broker and Settlement Agent. For each party the user is expected to pass the following information: Name, Address, NMLS ID or License ID (with state abbreviation), Contact Person Name, Contact Person's NMLS ID or License ID (with state abbreviation), Contact Person's email and Contact Person's phone. If there is no contact person specific email or phone number passed, Expere will print a party's general email or phone number that is passed instead.

## State License ID

If the user passes a License ID, in lieu of the NMLS ID, the user is also required to pass the state jurisdiction for that License ID that will replace the “\_” that appears before License ID in the row label when it is not used. For example, if there is no passed License ID for any party or contact person it will appear as “\_ License ID”, but if that state is Connecticut, and then it would print as “CT License ID”. The regulation does not provide for space to print multiple state jurisdictions for the License ID, thus it is expected that all passed party License IDs will be the same state and all Contact Person License IDs will be the same state. Expere will thus pass the first licensing authority state that is passed for a real estate broker or settlement agent.

## Overflow

The Contact Information table is limited as to what may overflow onto the Closing Disclosure Addendum. The requirements do not allow for overflowing of information of specific party information onto the addendum, if it does not fit on the main form. For example, if the email address is too long to fit in the space allotted, it cannot overflow and print on the addendum. However, in the event there are two Real Estate Broker (B)s, Real Estate Broker (S)s or Settlement Agents passed, then the second party's information will print on the Addendum. Expere allows for only one additional Real Estate Broker (B), one additional Real Estate Broker (S) and one additional Settlement Agent to print on the addendum.

## Space Limitations

As previously mentioned, Expere may not overflow information that populates a given row for a particular party or party's contact person onto the addendum. Below is an explanation of the space limitations for each row of the table in order to ensure that page 5 will match the model form as required:

- Name- This row has a set height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum. There is space for 30 characters in this row for each column on the Seller version and 46 for the No-Seller version.
- Address: This row will flex its height depending on how large the address is. The user can pass up to four lines (consisting of a total of 65 characters on the Seller version and 92 for the No-Seller, for the entire address, city, state and postal code) for the address but no more. If not all of the four lines are used, then the row will shrink in height to be the smallest height necessary to print the passed information.
- NMLS ID: This row has a set height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum. There is space for 15 characters in this row for each column on the Seller version and 23 characters for the No-Seller version.
- License ID: This row has a set height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum. There is space for 15 characters in this row for each column on the Seller version and 23 characters for the No-Seller version.
- Contact: This row will flex its height depending on how long the name is. The user can pass up to two lines. (consisting of a total of 30 characters on the Seller version and 46 for the No-Seller,) for the contact person's name but no more. If not all of the two lines are used, then the row will shrink in height to be the smallest height necessary to print the passed information.
- Contact NMLS ID: This row has a set height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum. There is space for 15 characters in this row for each column on the Seller version and 23 characters for the No-Seller version.
- Contact License ID: This row has a set height and cannot expand larger. Therefore if more information passed, than can fit in the table, it will cut off and not print on the addendum. There is space for 15 characters in this row for each column on the Seller version and 23 characters for the No-seller version.

- Email: The email address will print in all lower-case letters and can only print up to 36 characters for the Seller version and 54 characters for a No-Seller version. This has a set row height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum.
- Phone: This row has a set height and cannot expand larger. Therefore, if more information is passed than can fit in the table, it will cut off and not print on the addendum. There is space for 15 characters in this row for each column on the Seller version and 23 characters for the No-Seller version.

## Signatures

The inclusion of Borrower signatures at the bottom of page 5 on the Closing Disclosure is optional. If the user indicates they want signatures included on the form, then the Confirm Receipt section will print along with the first two signatures. If there are more than two signers, then the Confirm Receipt section will print the statement “See Addendum for additional signature information”, the Closing Disclosure Addendum will be generated and the addendum will include all signers on it. One exception to this rule is that if a borrower is an Illinois Land Trust, all the signers for the Illinois Land Trust will print on the Closing Disclosure Addendum as there is insufficient space to print the necessary language for such a party signature at the bottom of the Closing Disclosure. The signature section does allow for attorneys-in-fact to sign on behalf of a borrower who is an individual or sole proprietorship. The signature section on the Closing Disclosure does slightly differ from Expere’s standard signature format so as to match the model form; therefore, the signer names will not print in bold or italics and “Date” has been indented from the right.

## What gets rounded on the Closing Disclosure

12 C.F.R. Part 1026.38(t)(4) specifies which dollar amounts and percentages are to be rounded in the Closing Disclosure. The user is expected to pass unrounded amounts then Expere will round the amount for the user as necessary. The following dollar amounts will be rounded by Expere to the nearest whole dollar:

- Amounts in the Loan Terms bullet points indicating adjustments after consummation
- Amounts in the Prepayment and Balloon Payment statements of the Loan Terms
- Amounts in the Principal and Interest row of the Projected Payments table when a range is disclosed.
- Amounts in the total row of the Projected Payment table, if the total is a range.
- Amounts in Loan Estimate column of the Calculating Cash to Close table
- Amounts in the AP table

A special note about the Loan Amount in the Loan Terms table: while this amount is not to be rounded, the final regulation does require trailing zeroes to be dropped so \$120,000.00 will print as \$120,000 without the zero cents.

As for percentages, Expere will follow the requirements of the regulation and print up to three decimal places for the following percentages but it will not print trailing zeroes. For example if the passed interest rate percent is 4.50%, Expere will print 4.5%. If the percentage is a whole number, then the percentage will be truncated at the decimal point and the trailing zeroes will not print.

- Interest Rate in the Loan Terms table.
- Interest Rates that print in the Loan Terms bullet points indicating adjustments after consummation
- Percent of Loan Amount Points in the Origination charges section of Loan Costs
- Interest Rate in the Prepaid Interest line of the Prepaids section of Other Costs
- Any percentage disclosed in the Late Payment section, if applicable.
- Percentages in the AIR Table
- Total Interest Percentage in the Comparisons table on page 3

A special note about the Annual Percentage Rate (APR) in the Comparisons table on page 3: the APR will always be disclosed as three decimal places except when it is a whole number. For example, if the passed APR is 4.56%, Expere will print 4.560%; however, if the passed APR is 4.000%, Expere will print 4%.

## Closing Disclosure Addendum

Expere will generate a Closing Disclosure Addendum only when there is required content that is allowed to overflow per the regulation's requirements. The following items will overflow onto a Closing Disclosure Addendum: there is more than one Borrower; there is a Borrower with a foreign address that has more than two lines; there is at least one trust Borrower; there is more than one Seller; there are more than two signers and Borrower signatures are included on the form; there is an Illinois Land Trust and signatures are included; there is a Borrower who is an entity and signatures are included; seller signatures are included; a real estate collateral legal description is too long; there is more than one piece of real estate collateral securing the transaction; there is a personal property description for a manufactured home; there is a seller in the transaction and there are additional Summaries of Transaction items to disclose; or there is more than one Real Estate Broker (B), Real Estate Broker (S) or Settlement Agent. The Closing Disclosure Addendum is a dynamic form so only those elements that require overflow will print on the form and no additional information will print.

## Three versions from One REQ file

Just as with the main Closing Disclosure, the Closing Disclosure Addendum REQ file will generate when there is overflow for a Seller version of the Closing Disclosure, a No-Seller Version of the Closing Disclosure and the Borrower-Only version of the Closing Disclosure. What can and will overflow is the same for all three versions of the Closing Disclosure, but for two areas on a No-Seller Transaction. A No-Seller transaction will not overflow the Summaries of Transaction section nor include overflow for additional Real Estate Brokers as those items are not included on a No-Seller version of the Closing Disclosure.

## **Name Blocks**

If there is more than one borrower or seller in the transaction, the addendum will generate and print the names of all the borrower and/or sellers on the addendum for the party that overflows. The borrowers will print in a box on the top left hand side of the addendum. The sellers will print in a box on the top right hand side of the addendum. If for example, there are two borrowers and only one seller, then both borrower names and addresses will appear on the addendum, but no seller information will print. If there are two sellers, but only one borrower, then the addendum will only print the names and addresses of the sellers, and not the borrower.

## **Property Address/Legal Description**

If there is more than one real estate collateral in the transaction, if a legal description is longer than 50 characters or a personal property description for a manufactured home is included then the property addresses full legal description and or personal property description will print below the name blocks, if the name blocks are included; otherwise this section, if it overflows will print first below the document's title.

## **Summaries of Transactions**

The Summaries of Transaction section prints on the Closing Disclosure Addendum when there are more items disclosed in a given part of the table than there is allotted space for. If the Summaries of Transactions overflows onto the addendum and there are additional Borrowers, Sellers or Property Information printing on page one, then Expere will print the Summaries of Transaction section on the second page of the addendum to prevent the table from getting split between pages. To indicate why there is a large gap on page one of the addendum, "See Page 2 for Summaries of Transactions" will print below the Borrower, Seller or Property information on page one. If there is no additional Borrower, Seller and Property information, Expere will print the Summaries of Transactions on the first page of the addendum below the document's title.

## **Row Numbering**

When the Summaries of Transaction table overflows onto the Closing Disclosure Addendum, the number of the items is slightly different than on the main Closing Disclosure form. The Summaries of Transaction table on the main Closing Disclosure is in ascending numerical order. On the addendum however, the row number that prints will begin with the corresponding row number it lines up with in the table on the main form followed by a decimal point and a new sequential number in ascending order for however many additional items are passed for that line item on the main disclosure table. For example, for line K4 on the main Closing Disclosure table, the user passes four items that should print in that line, but since there is only one line on that main table row 4 in section K, all four items will print on the addendum and be numbered in order as 4.1, 4.2, 4.3 and 4.4. Then the total of the 4.1, 4.2, 4.3 and 4.4 items will print back on line K4 on the main Closing Disclosure. This way consumers and users can identify which overflowing items correspond to which line item on the main Closing Disclosure Summaries of Transaction Table.

## Section Alignment

The alignment and printing of the individual sections in the Summaries of Transaction table will not be the same as it is in the main Closing Disclosure. Expere will only print that which overflows; therefore, if more or less items are passed in sections K and M, then sections L and N, the overflow will not line up perfectly as they do on the main form. At the same time, if there is no overflow for sections K or M, but there is overflow for L and N, then Expere will print the L and N sections directly below the “BORROWER’S TRANSACTION” and “SELLER’S TRANSACTION” headings and not include K or M. If there is no overflow in the Seller’s Transaction column but there is for the Borrower’s Transaction, then only the Borrower’s Transaction column will print with the overflowing items and nothing will print for the Seller’s Transaction and vice versa.

## Example

Summaries of Transactions		Use this table to see a summary of your transaction.	
BORROWER’S TRANSACTION		SELLER’S TRANSACTION	
<b>K. Due from Borrower at Closing</b>		<b>M. Due to Seller at Closing</b>	
04.1	Borough Property Tax		
	\$20.00	<b>Adjustments for Items Paid by Seller in Advance</b>	
04.2	Earthquake Insurance Premium		
	\$10.00	16.1	Rebate Credit
<b>Adjustments</b>			\$80.00
07.1	Fuel Costs \$70.10 P.O.C. Borrower	16.2	USDA Annual Fee
07.2	Other Description Item 8		\$90.00
	\$80.00	<b>N. Due from Seller at Closing</b>	
07.3	Volcano Insurance Premium		
	\$40.00	07.1	Tenant Security Deposit
<b>Adjustments for Items Paid by Seller in Advance</b>			\$190.00
15.1	Rebate Credit	07.2	Utilities
	\$80.00		\$200.00
15.2	USDA Annual Fee	13.1	Lender Credit \$220.10 P.O.C. Seller
	\$90.00		\$250.00
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>		13.2	Village Property Tax
04.1	Condominium Association Special Assessment		\$160.00
	\$110.00	<b>Adjustments for Items Unpaid by Seller</b>	
04.2	Seller Credit		
	\$100.10	19.1	Seller Escrow Assumption
04.3	Storm Insurance		\$170.00
	\$90.00	19.2	Sweat Equity
<b>Other Credits</b>			\$160.00
07.1	USDA Annual Fee		
	\$120.00		
07.2	Utilities		
	\$140.00		
<b>Adjustments for Items Unpaid by Seller</b>			
17.1	Seller Escrow Assumption		
	\$170.00		
17.2	Sweat Equity		
	\$160.00		

## Contact Information

The Contact Information table functions the same way as it does on the main Closing Disclosure with the same space constraints, except that it will only print information passed for a second contact for the Real Estate Broker (B), Real Estate Broker (S) and Settlement Agent if it is passed. The Contact Information table will not print on the addendum if there are no additional parties. Expere does not support a second Lender or Mortgage Broker in a transaction so those two columns will always print blank on the addendum. Just as with the main Closing Disclosure table, there is one version with five columns for a Seller transaction and one version with three columns for a No-Seller transaction.

## Signatures

The Addendum will include overflow signatures as well as signatures that do not have sufficient space to print on the main form such as borrowers who are entities or an Illinois Land Trust borrower.

### **Non-Borrowing Owner Signatures-Optional**

Per customer request, in addition to borrower signatures on the Closing Disclosure, the user can opt to include non-borrowing owner signatures on the Closing Disclosure Addendum in the optional Owner's Acknowledgment section. While the TRID requirements of the final regulation do not provide for such signatures on the main version of the Closing Disclosure, the non-borrowing owner signatures will print on the Closing Disclosure Addendum when the user indicates they want them included in addition to indicating they want borrower signatures included. This feature was added so the non-borrowing owners can acknowledge receipt of the disclosure for right of rescission purposes.

### **Seller Signatures-Optional**

Per a Fannie Mae requirement published on Feb. 24<sup>th</sup>, 2015 to have seller signatures, as well as borrower signatures on the Closing Disclosure, the user can opt to include seller signatures on the Closing Disclosure Addendum. While the requirements of the final regulation do not provide for such signatures on the main version of the Closing Disclosure, the seller signatures will print on the Closing Disclosure Addendum when the user indicates they want them included in addition to indicating they want borrower signatures included.

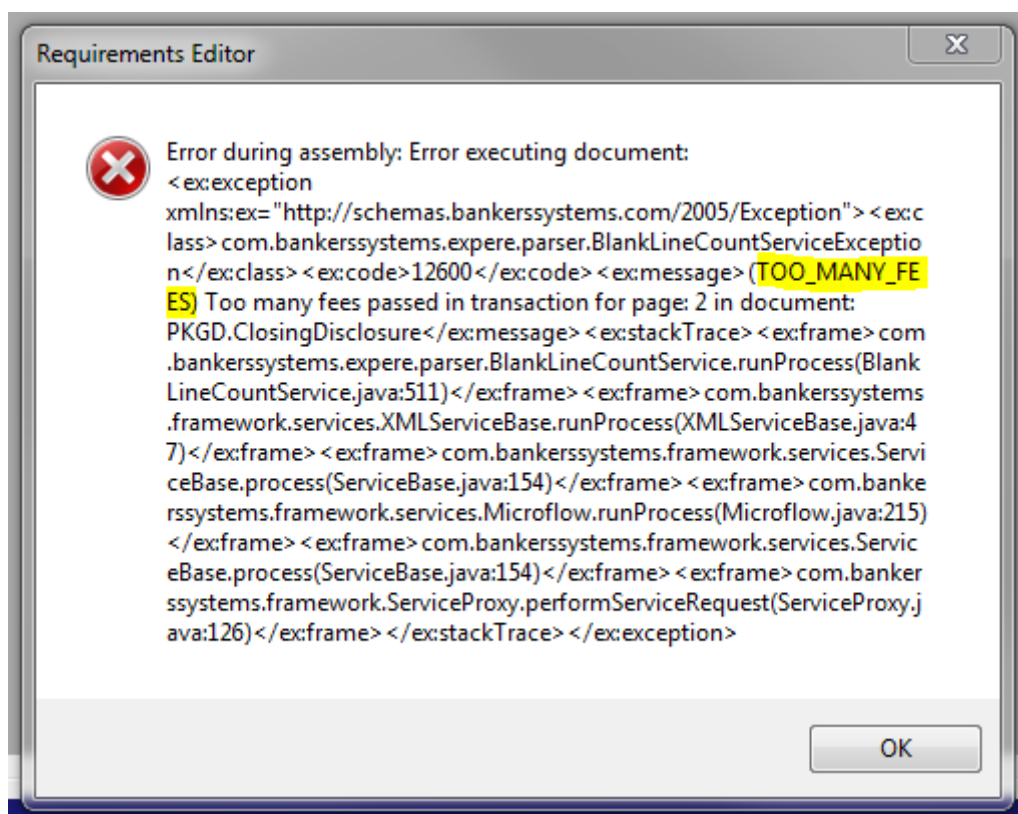
## **New Ancillary Documents**

### **Closing Disclosure-Seller Only**

The Seller Only version of the Closing Disclosure has its own separate REQ file because the content is slimmed down and in a different order than on the main Closing Disclosure. It will be selected and generate a single instance when the transaction involves a seller and the user indicates they want a separate Closing Disclosure form for the borrower and seller. The Seller Only version is two pages of information consisting of the following information: Closing Information and Transaction Information from the Date and Parties section; Seller's Transaction column of the Summaries of Transaction table; Contact Information table for only the Real Estate Broker (B), Real Estate Broker (S) and the Settlement Agent and the Closing Costs table which discloses only the seller paid Closing Costs. All information on the Seller Only version of the Closing Disclosure is populated the same way that it is on the main Closing Disclosure form and uses the same xml file.

### **Closing Costs Table Limitations**

The Closing Costs table on page 2 of the Seller Only version may not split into two pages and does not allow for overflow onto an addendum, thus users are limited to one page of seller-paid closing costs or 39 non-hardcoded fees (plus the 10 hardcoded ones). If the user passes more fees than there is space for on the table, an error message (see below) will appear preventing the form from generating. The Closing Costs table will move row space around from one section to another to accommodate all the passed fees as necessary and Expere will print filler blank rows to fill up the page, just as in the main Closing Disclosure Closing Costs table.



## Signatures

The Seller Only version of the Closing Disclosure does not include signatures because the regulation does not allow for seller signatures to be included on the form, when the user indicates they want signatures included on the Closing Disclosure. The regulation only provides for borrower signatures to be included on the Closing Disclosure when a user opts to include them, and since the Borrower would not receive the Seller's version of the disclosure, no such signatures are included on the Seller Only version of the Closing Disclosure.

## Closing Disclosure-Seller Only-Addendum

The Seller Only version of the Closing Disclosure also has its own addendum REQ file to generate a Seller Only Addendum version. The following information may overflow on this addendum: Borrower names and addresses when there is more than one; Seller names and addresses when there is more than one; Property information if there is more than one real estate collateral, if the legal description is longer than 50 characters or there is a personal property description for a manufactured home; Seller's Transaction of the Summaries of Transaction table has additional items; Contact Information table when there is more than one Real Estate Broker (B), more than one Real Estate Broker (S) or more than one Settlement Agent and if the user elects to include seller signatures for Fannie Mae and Freddie Mac requirements, in addition to Borrower signatures.

## Format

The Closing Disclosure-Seller Only Addendum is a dynamic form that is structured in the same way as the main Closing Disclosure Addendum; therefore, only the information that needs to overflow onto the

addendum will print on the form, no more, no less. If additional parties are passed, the Borrowers, if applicable, will appear in a box at the top left of the form, the Sellers, if applicable, will appear in a box at the top right of the form. The Property information overflow, if applicable, will print after any overflowing party information, or if no additional party information, it will print at the top of the document. If there is overflow of the Seller's Transaction from the Summaries of Transaction Table that will appear on page 2 of the addendum after any party overflow information and any Property information overflow if it exists; otherwise it will appear at the top of the document on page 1. If there is additional Contact Information table parties to disclose (Expere will only print one additional party for each Real Estate Broker and the Settlement Agent), the table will appear as the last section on the addendum, or as the first section if no other information overflows.

### Signatures

The Seller Only Addendum will include seller signatures if and when the user indicates that both borrower signatures are to be included and seller signatures are to be included to meet Fannie Mae and Freddie Mac's requirements to include them.

### Intent to Proceed

The Intent to Proceed form is an optional form the lender may have the applicant borrower complete and sign to indicate the applicant borrower's intention to proceed with the loan application. This is not a new form, but rather an existing optional form used today when the Real Estate Settlement Procedures Act (RESPA) applies to a loan. The REQ file was updated to allow a lender to select it for a TRID transaction as well.

### Changed Circumstances

The Changed Circumstances form is an optional form the loan originator may complete for each changed circumstance that results in a Loan Estimate being re-disclosed and is used by lenders in order to retain documentation of the change and the reason for that change to the Loan Estimate per the requirement in 12 C.F.R. Part 1026.19(e)(3)(iv)-comment 3 and 12 C.F.R. Part 1026.25. This form is updated from an earlier version that was available to use with the Good Faith Estimate and the HUD1 or HUD1A Settlement Statements. This updated form will generate for a transaction that includes the TRIDs meaning it is a closed-end consumer purpose loan secured by real estate and the application received date is on or after August 1<sup>st</sup>, 2015. This form can also now be selected to accompany the Closing Disclosure when it is updated or re-disclosed due to a changed circumstance.

The content of the form contains the standard Expere Date and Parties section, followed by a statement the user passes detailing the reason for the change and a table listing a description of each fee (including the original estimated value of the fee) that is changing and the new revised estimated amount for that fee.

### Written List of Providers

The Written List of Providers is a required form (see 12 C.F.R. Part 1026.19(e)(1)(vi)(C)) that identifies the available providers of the settlement services for which the consumer can shop. At the user's option, it may also list providers of settlement services for which the consumer cannot shop. This form replaces

the Settlement Services Providers list form that accompanied the Good Faith Estimate. Expere follows the model forms H-27(A), H-27(B) and H-27(C).

The content of the form contains user passed information for each settlement service the consumer can shop for (and in some cases, cannot shop for), the provider of that service and the contact information for the provider of the service. The user has the option to include an additional column to list the estimated cost of each individual settlement service that is listed. Per the model form, Expere will organize the information by provider and list all fees for a given provider in one row, with a sub row for each settlement service of the provider. Thus the name and contact information of each provider need only be passed once. The user will then have to pass a provider ID for each provider and then also pass the same ID for each settlement service offered by that provider so Expere can determine which fees should print with which provider.

### **Escrow Closing Notice**

The Escrow Closing Notice is a new required one page form as a post-consummation notice that is provided for closed-end consumer credit transactions secured by a first lien on real property or a dwelling. The Escrow Closing Notice is not required before or at closing, but only if the creditor or servicer cancels the escrow account at the consumer's request and is provided no later than three business days before the closure of the account (see 12 C.F.R. Part 1026.20(e)(5)). Expere follows the model form which notifies consumers that their escrow account will be closed, the reason for the closure of the account, the cost, if any, to close the escrow account, notice that going forward the consumer will have to pay all property costs directly, potential consequences for failure to pay the required property costs, who to contact with questions, and whether or the consumer can elect to keep the escrow account open by contacting the institution listed.

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