

# QC EXPERT



Truth in Lending-RESPA Integrated Disclosure  
(TRID)

	PAGE
<b>1. TRID Rules</b>	3
<b>2. TRID Disclosures</b>	7
<b>3. Document Cross-check</b>	14
<b>4. Loan Estimate QC Instructions</b>	21
<b>5. Closing Disclosure QC Instructions</b>	32
<b>6. Worksheet Templates</b>	47

## TRID RULES

### SUMMARY

The Truth in Lending—Integrated Disclosure Rule (TRID) was enacted by the Dodd-Frank Wall Street Reform and Consumer Protection Act, known as the Dodd-Frank Act. The TRID Rule integrated the Truth in Lending Act (TILA), known as Regulation Z, and the Real Estate Settlement Procedures Act (RESPA), known as Regulation X.

The Consumer Financial Protection Bureau (CFPB) finalized the TRID Rule and mandated the consolidation of four disclosures.

*The Loan Estimate (LE) combined the RESPA Good Faith Estimate with TILA's initial Truth in Lending Disclosure.*

*The Closing Disclosure (CD) combined the HUD-1 Settlement Statement with the Final Truth in Lending Disclosure.*

Each new disclosure is formatted with clear language and graphically designed for consumers to locate key facts about their financing costs, third-party services, settlement fees, and other items. The forms are also designed to help consumers compare costs of different mortgage options.

# Loan Estimate Review

LE, PAGE 1

Save this Loan Estimate to compare with your Closing Disclosure.

## Loan Estimate

DATE ISSUED **1**  
APPLICANTS **2** **3**  
PROPERTY  
SALE PRICE

LOAN TERM  
PURPOSE  
PRODUCT  
LOAN TYPE  Conventional  FHA  VA  \_\_\_\_\_

LOAN ID # **4**  
RATE LOCK  NO  YES, until **5**  
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on **6**

Can this amount increase after closing?

Loan Terms	
Loan Amount	
Interest Rate	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	
Prepayment Penalty	
Balloon Payment	
Projected Payments	
Payment Calculation	
Principal & Interest	
Mortgage Insurance	
Estimated Escrow <small>Amount can increase over time</small>	
Estimated Total Monthly Payment	
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	<p>This estimate includes <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small></p>
Costs at Closing	
Estimated Closing Costs	Includes _____ in Loan Costs + _____ in Other Costs – in Lender Credits. <small>See page 2 for details.</small>
Estimated Cash to Close	Includes Closing Costs. <small>See Calculating Cash to Close on page 2 for details.</small>

1. Is the date issued on the LE within three business days from the date shown on the loan application?
2. Does the borrower name on the LE match the loan application?
3. If there are additional borrowers listed on the application, are their names also included on the LE?
4. Was the rate lock choice noted on the LE?
5. If the applicant chose YES, does the end date match the company rate lock agreement?
6. Does the LE include the expiration date for other estimated closing costs?

# Loan Estimate Review

LE, PAGE 2

## Closing Cost Details

### Loan Costs

#### A. Origination Charges

% of Loan Amount (Points)

12

### Other Costs

#### E. Taxes and Other Government Fees

Recording Fees and Other Taxes

Transfer Taxes

#### F. Prepaids

Homeowner's Insurance Premium ( months)

Mortgage Insurance Premium ( months)

Prepaid Interest ( per day for days @ )

Property Taxes ( months)

### B. Services You Cannot Shop For

13

14

### G. Initial Escrow Payment at Closing

Homeowner's Insurance

per month for mo.

Mortgage Insurance

per month for mo.

Property Taxes

per month for mo.

### C. Services You Can Shop For

15

### I. TOTAL OTHER COSTS (E + F + G + H)

### J. TOTAL CLOSING COSTS

D + I

Lender Credits

### Calculating Cash to Close

Total Closing Costs (J)

Closing Costs Financed (Paid from your Loan Amount)

Down Payment/Funds from Borrower

Deposit

Funds for Borrower

Seller Credits

Adjustments and Other Credits

### Estimated Cash to Close

### D. TOTAL LOAN COSTS (A + B + C)

16

12. On page 2 of the LE, **Section A**, do itemized origination charges only include fees paid to the lender or affiliate?

13. In **Section B**, Services You Cannot Shop For, do fees only reflect lender-required services?

14. Are all items listed in alphabetical order and rounded to the nearest dollar?

15. In **Section C**, Services You Can Shop For, do title-related descriptions begin with the word "title"?

16. In **Section D**, Total Loan Costs, does the amount (A+B+C) match the loan costs amount shown at the end of page 1?

Costs at Closing	
Estimated Closing Costs	Includes in Loan Costs + in Other Costs – in Lender Credits. See page 2 for details.
Estimated Cash to Close	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

# Loan Estimate Review

LE, PAGE 2

## Closing Cost Details

Loan Costs	Other Costs
<b>A. Origination Charges</b> % of Loan Amount (Points)	<b>E. Taxes and Other Government Fees</b> Recording Fees and Other Taxes Transfer Taxes <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">17</span>
<b>B. Services You Cannot Shop For</b>	<b>F. Prepaids</b> Homeowner's Insurance Premium ( months) Mortgage Insurance Premium ( months) Prepaid Interest ( per day for days @ ) Property Taxes ( months) <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">18</span>
<b>C. Services You Can Shop For</b>	<b>G. Initial Escrow Payment at Closing</b> Homeowner's Insurance per month for mo. Mortgage Insurance per month for mo. Property Taxes per month for mo. <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">19</span>
<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>H. Other</b> <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">20</span>
	<b>I. TOTAL OTHER COSTS (E + F + G + H)</b> <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">21</span>
	<b>J. TOTAL CLOSING COSTS</b> D + I Lender Credits <span style="border: 1px solid red; border-radius: 50%; padding: 2px 5px;">22</span>
Calculating Cash to Close	
Total Closing Costs (J) Closing Costs Financed (Paid from your Loan Amount) Down Payment/Funds from Borrower Deposit Funds for Borrower Seller Credits Adjustments and Other Credits	
<b>Estimated Cash to Close</b>	

17. In **Section E, Other Costs**, are taxes and fees consistent with other documents?
18. In **Section F, Prepaids**, does each item note the applicable time period covered?
19. In **Section G, Initial Escrow**, do all items match related file documents?
20. In **Section H**, do items match other file documents, such as owner's title insurance?
21. In **Section I, Total Other Costs**, do **Other Costs** match amounts at the end of page 1?
22. In **Section J, Total Closing Costs**, does **Lender Credits** match amount at the end of page 1?

Costs at Closing	
Estimated Closing Costs	Includes in Loan Costs + in Lender Credits. See page 2 for details.
Estimated Cash to Close	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

# Change of Circumstance

EXAMPLE FORM

**CHANGE OF CIRCUMSTANCE**

44

Date: \_\_\_\_\_

Loan Number: \_\_\_\_\_

Borrower(s) \_\_\_\_\_

This form must be completed for transactions requiring a re-disclosure of the Loan Estimate (LE). A copy of this form must be included in the loan file, and include a brief explanation of the changed circumstance, the dollar amount of the fee change, the date of change, and date of LE re-disclosure.

Applicable changed circumstances must be checked below: 45

46 Changed circumstance that causes an estimated settlement fee change to increase beyond the applicable tolerance.

Changed circumstance affecting applicant's eligibility (creditworthiness or value of property to secure the loan) that causes an estimated settlement fee change to increase beyond the applicable tolerance.

Applicant-requested change in loan terms or settlement fee that causes an increase in an estimated fee charge that was disclosed on the Loan Estimate.

Expiration of the Loan Estimate without an intent to proceed from the applicant.

Rate Lock, Re-Lock or Lock Extension that cause changes in interest rate or fees.

PROOF OF DELAY MUST BE PROVIDED.

47 Date of Change: \_\_\_\_\_

48 Date of LE Re-Disclosure: \_\_\_\_\_

Explanation of Changes: \_\_\_\_\_

Dollar Amount of Fee Changes: \_\_\_\_\_

44. Does the loan file include a document which described a valid changed circumstance?

45. Do file documents support the issuance of a *Revised Loan Estimate*?

46. Were changes in *Loan Costs* subject to tolerance between the LE and the Revised LE?

47. Was the revised LE issued within three days of change of circumstance – or no later than four business days before closing?

48. On the *Revised LE*, was the expiration date of closing costs dated after the borrower signed an *Intent to Proceed*?

49. If applicable, was the rate lock agreement amended?

# Closing Disclosure Review

CD, PAGE 1

**Closing Disclosure**

*This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.*

Closing Information		Transaction Information		Loan Information	
Date Issued 1	Closing Date	Borrower	Seller 3	Loan Term	Purpose
Disbursement Date	Settlement Agent	Seller		Product	4
File #	Property	Lender		Loan Type	<input type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
Sale Price				Loan ID #	MIC #
Loan Terms		Can this amount increase after closing?			
Loan Amount					
Interest Rate		5			
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>					
Prepayment Penalty		Does the loan have these features?			
Balloon Payment					
Projected Payments					
Payment Calculation					
Principal & Interest		6			
Mortgage Insurance					
Estimated Escrow <small>Amount can increase over time</small>					
Estimated Total Monthly Payment					
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>		This estimate includes <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>		In escrow?	
Costs at Closing					
Closing Costs		Includes in Loan Costs + in Lender Credits. See page 2 for details.		in Other Costs –	
Cash to Close		Includes Closing Costs. See Calculating Cash to Close on page 3 for details.			

CLOSING DISCLOSURE PAGE 1 OF 5 • LOAN ID #

**SAMPLE**

1. Was the initial (or revised) CD provided to the borrower(s) at least three business days prior to closing?
2. In the top section of page 1, are items in the **Closing Information** section fully completed and match the LE?
3. Are entities named in the **Transaction Information** section correct and all items match the LE?
4. Is the **Loan Information** section fully completed, and all items match the LE?
5. In the **Loan Terms** section, are all items fully completed and match the LE?
6. In the **Projected Payments** section, are figures correct for the loan program?

# Closing Disclosure Review

CD, PAGE 1

**Closing Disclosure**

*This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.*

Closing Information		Transaction Information		Loan Information	
Date Issued	Borrower	Loan Term	Purpose	Product	
Closing Date					
Disbursement Date					
Settlement Agent	Seller	Loan Type	<input type="checkbox"/> Conventional	<input type="checkbox"/> FHA	
File #			<input type="checkbox"/> VA	<input type="checkbox"/> _____	
Property	Lender	Loan ID #			
Sale Price		MIC #			
<b>Loan Terms</b>		Can this amount increase after closing?			
Loan Amount					
Interest Rate					
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>					
		Does the loan have these features?			
Prepayment Penalty					
Balloon Payment					
<b>Projected Payments</b>					
<b>Payment Calculation</b>					
Principal & Interest		7			
Mortgage Insurance					
Estimated Escrow <small>Amount can increase over time</small>					
Estimated Total Monthly Payment					
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small> <small>See page 4 for details</small>		8 This estimate includes <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>			
<b>Costs at Closing</b>					
Closing Costs		9 Includes in Loan Costs + in Lender Credits. See page 2 for details.			
Cash to Close		Includes Closing Costs. See Calculating Cash to Close on page 3 for details.			

CLOSING DISCLOSURE

PAGE 1 OF 5 • LOAN ID #

7. In **Projected Payments**, are figures correct for estimated taxes, insurance, and assessments?

8. If applicable, are homeowners' association (HOA) dues included in the "Other" category?

9. In the **Costs at Closing** section, do calculation methods match the **Calculating Costs to Close** section on page 3 of the CD?

**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 <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	-\$29.80	YES • You paid these Closing Costs <b>before closing</b>
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 <b>Section L</b>
Adjustments and Other Credits	\$0	-\$1,035.04	YES • See details in <b>Sections K and L</b>
<b>Cash to Close</b>	<b>\$16,054.00</b>	<b>\$14,147.26</b>	

# Closing Disclosure Review

CD, PAGE 2

Closing Cost Details					
Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b> 01 % of Loan Amount (Points) 02 03 04 05 06 07 08					
<b>B. Services Borrower Did Not Shop For</b> 01 02 03 04 05 06 07 08 09 10					
<b>C. Services Borrower Did Shop For</b> 01 02 03 04 05 06 07 08					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b> Loan Costs Subtotals (A + B + C)					
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b> 01 Recording Fees Deed: Mortgage: 16 17 02					
<b>F. Prepads</b> 01 Homeowner's Insurance Premium ( mo.) 18 02 Mortgage Insurance Premium ( mo.) 03 Prepaid Interest ( per day from to ) 19 20 04 Property Taxes ( mo.) 05					
<b>G. Initial Escrow Payment at Closing</b> 01 Homeowner's Insurance per month for mo. 02 Mortgage Insurance per month for mo. 03 Property Taxes per month for mo. 21 04 05 06 07 08 Aggregate Adjustment					
<b>H. Other</b> 01 02 03 04 05 06 07 08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b> Other Costs Subtotals (E + F + G + H)					
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b> Closing Costs Subtotals (D + I) Lender Credits					
CLOSING DISCLOSURE					
PAGE 2 OF 5 • LOAN ID #					

**16.** In **Section E, Other Costs**, were fees for recording, deed, and mortgage itemized separately?

**17.** Did other charges such as transfer tax or tax stamps include the name of payee?

**18.** In **Section F, Prepads**, are number of months shown for homeowners' insurance, mortgage insurance, and property taxes?

**19.** Is per diem interest charged from the closing date through the end of the month (or) \$0.00 entered if not collected?

**20.** For refinances, is per diem charged from the funding/disbursement date through the end of the month?

**21.** In **Section G, Initial Escrow**, do all items include both cost and number of months?