



CFPB Relaxes TRID Rule in Wake of COVID-19



CFPB
ANNOUNCEMENT

The Consumer Financial Protection Bureau (CFPB) on April 29 took steps to make it easier for consumers with urgent financial needs to obtain access to mortgage credit more quickly in the middle of the COVID-19 pandemic.

INTERPRETIVE RULE

The bureau issued an interpretive rule clarifying that consumers can exercise their rights to modify or waive certain required waiting periods under the TILA-RESPA Integrated Disclosure Rule (TRID) and Regulation Z rescission rules.

"The steps we are taking will help consumers facing financial emergencies obtain access to mortgage credit faster," said CFPB Director Kathleen Kraninger. "The pandemic is resulting in consumers facing various challenges, and our temporary and targeted solutions are intended to ensure that consumers receive the credit they need in a timely manner."

CLOSING TIME FRAMES MAY BE AFFECTED

Under TRID, a consumer may waive the waiting periods if they meet a bonafide personal emergency. The CFPB said in the interpretive rule that borrowers who verify in a signed statement that due to the pandemic their financial situation necessitates a faster closing the waiting periods could be waived.

In the rule, the CFPB also concluded that the COVID-19 pandemic is a "changed circumstance" for purposes of certain TRID rule provisions, allowing creditors to use revised estimates reflecting changes in settlement charges for purposes of determining good faith.

To find out more, go to: <https://www.alta.org/news/news.cfm?20200430-CFPB-Relaxes-TRID-Rule-in-Wake-of-COVID-19>



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