

May 15, 2013

The Honorable Ed Perlmutter
United States Representative
1410 Longworth House Office Building
Washington, DC 20515

Dear Congressman Perlmutter:

The undersigned organizations thank you for your Dear Colleague letter asking Members of Congress to join a sign-on letter asking the Consumer Financial Protection Bureau (CFPB) to provide consumers with needed flexibility to avoid costly delays to closing when buying a home or refinancing a mortgage.

Under the CFPB's proposed rule, "Integrated Mortgage Disclosures Under the Real Estate Settlement Procedures Act (Regulation X) and the Truth In Lending Act (Regulation Z)", the borrower must receive their final Closing Disclosure three business days prior to closing. If during this three day period, a cost the borrower will pay to close, aside from loan costs, increases (subject to very limited exceptions), the borrower must be given a new updated Closing Disclosure and wait three additional business days before they can close.

In a typical real estate transaction, changes frequently occur in the three days prior to closing that could increase a borrower's cost to close. Without additional flexibility, the CFPB's proposed rule could cause costly delays to closing that harm consumers by reducing their ability to make reasonable changes to their purchase, increasing their costs, putting at risk their mortgage rate lock and even the expiration of their purchase contract and earnest money deposit to the seller.

Thank you for working with the CFPB to ensure consumers have the needed flexibility to prevent costly delays to closing and explore options that balance the intent of the Bureau's proposed rule with how it would apply to consumers in the market.

Sincerely,

American Bankers Association
American Escrow Association
American Financial Services Association
American Land Title Association
Community Mortgage Lenders of America
Consumer Bankers Association
Consumer Mortgage Coalition

Credit Union National Association
National Association of Federal Credit Unions
National Association of Home Builders
National Association of Mortgage Brokers
National Association of Realtors
Real Estate Valuation Advocacy Association
RESPRO®