



## CFPB Proposes New Rules Governing Servicing of Consumer Mortgage Loans

The Consumer Financial Protection Bureau (CFPB) has proposed amendments to Regulation X (Real Estate Settlement Procedures Act) and Regulation Z (Truth in Lending Act) that create new disclosure requirements and uniform guidance to servicers of consumer home mortgages.

The rules, which the CFPB expects to finalize in January 2013, cover nine subjects:

- Clearer periodic billing statements, including a breakdown of all payments, fees owed, and due dates
- Early notice of interest rate adjustments, including alternatives and counseling resources available if the consumer is unable to pay
- Prompt crediting of payments and sending of payoff balances
- Options for avoiding force-placed insurance and providing advance notice and pricing information before charging for that insurance
- Error resolution and information requests
- Information management policies and procedures
- Early notice to delinquent borrowers of loss-mitigation options
- Provision of dedicated contact personnel to delinquent borrowers
- Loss-mitigation procedures

The proposed rules do not apply to home equity lines of credit, reverse mortgages, or mortgages that are not secured by land. They also include proposed exemptions and modifications for “small servicers.”

A summary of the proposed rules can be found [here](#), and the Bureau’s statement on the proposed rules, including links to the rules, can be found [here](#).

The public comment period is open until October 9, 2012, and e-mail comments should be submitted [here](#).

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