

September 8, 2015

By electronic delivery to:

The Honorable Daniel K. Tarullo,
Chairman, FFIEC and
Member
Board of Governors of the Federal Reserve
System
20th Street and C Street NW
Washington, DC 20551
kommaly.k.beasley@frb.gov

The Honorable Richard Cordray, Director
Bureau of Consumer Financial Protection
1275 First Street, NE
Washington, DC 20002
Richard.cordray@cfpb.gov

The Honorable Debbie Matz, Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314
Dmatz@ncva.gov

The Honorable Martin J. Gruenberg,
Vice Chairman, FFIEC and
Chairman
Federal Deposit Insurance Corporation
20th Street and C Street NW
Washington, DC 20551
mgruenberg@fdic.gov

The Honorable Thomas J. Curry,
Comptroller
Office of the Comptroller of the Currency
400 7th Street, SW, Mail Stop 3E-218
Washington, DC 20219
Thomas.curry@occ.treas.gov

The Honorable Lauren Kingry,
Superintendent
Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018
lkingry@azdfi.gov

Re: FFIEC Requested Action on TRID

Lady and Gentlemen:

The undersigned trade associations write with great urgency regarding implementation and examination issues stemming from the TILA/RESPA Integrated Disclosure (TRID) rule effective on October 3, 2015. In official issuances and communications to Congress, the Consumer Financial Protection Bureau (CFPB) recognized that the TRID rule poses “significant implementation challenges” for industry, and has indicated that regulators will be sensitive to the good-faith efforts of lenders to comply with the TRID requirements in a timely manner. However, we believe that without formal guidance, fear of enforcement actions for errors committed in good faith will severely constrain consumer access to needed mortgage credit.

We urge the Federal Financial Institutions Examination Council (FFIEC) to provide needed certainty by articulating precise policies for examining and supervising financial institutions for the initial months after the TRID implementation date. The TRID rule is unique in scope and complexity, and it affects every stage of the mortgage origination process, beginning before the consumer applies for a loan and continuing beyond the settlement process. Transitioning to the new TRID regulatory framework is a sea change for every participant in the mortgage lending

process: borrowers, lenders, appraisers, agents, brokers, builders, investors and other service providers. Industry stakeholders have undertaken extensive efforts to comply with these rules, but, even now, they are discovering significant compliance issues. These discoveries raise liability concerns that cannot be realistically resolved before the October 3 deadline, as many will require formal authoritative guidance.

FFIEC should formally implement a clearly articulated transition period that addresses how regulators will oversee and examine regulated institutions for TRID compliance during this transition period. We ask that FFIEC recognize the severe penalties that can arise under these new rules, and establish predictable regulatory restraint by enunciating clear guidelines that, if met in good faith, would afford institutions with enforcement and examination relief for a reasonable time period following October 3.

We look forward to working with you on this important effort. In order to ensure the success of the new disclosures, it is imperative that supervision is applied consistently with the objective of achieving compliance without disrupting consumer access to credit.

American Bankers Association
American Land Title Association
American Escrow Association
The Appraisal Firm Coalition
Appraisal Institute
Collateral Risk Network
Consumer Bankers Association
Community Home Lenders Association
Consumer Mortgage Coalition
Community Mortgage Lenders
Credit Union National Association
Housing Policy Council
Independent Community Bankers of America
Mortgage Bankers Association
National Association of Home Builders
National Association of Mortgage Brokers
National Association of REALTORS
Real Estate Services Providers Council, Inc. (RESPRO)