

2015 REVISED FAR/BAR CRITICAL DATES  
WITH  
ANNOTATED CFPB RULES  
(rev 9/25/15)

**CFPB MANDATED EVENTS:**

**1. LOAN APPLICATION:**

- a. Borrower's name;
- b. Borrower's monthly income;
- c. Borrower's social security number to obtain a credit report;
- d. Property address;
- e. Estimate of property's value; and
- f. Mortgage loan amount sought.

**2. LOAN ESTIMATE:**

Within 3 business days after receiving a completed Application, the originator must deliver or place in the mail to the buyer a **Loan Estimate**. Mailing of the Loan Estimate must be made at least seven days prior to "consummation".

**3. NOTICE TO PROCEED:**

Buyer MAY within 10 days after receipt of Loan Estimate provide notice that buyer intends to proceed with the Loan. The originator must make the terms of the Loan Estimate available for this 10 business day period.

**4. CLOSING DISCLOSURE:**

Replaces TILA Disclosure and RESPA HUD-1 statement.

Must be delivered at least 3 days prior to "consummation" of the Loan. Earlier delivery is not regulated. For timely delivery by mail, must be placed in the mail 7 days prior to the date of consummation:

- (i) the date of mailing is not counted;
- (ii) delivery is presumed on 3rd business day after mailing,
- (iii) day of the presumed delivery is counted as one of the three required business days prior to closing.

**CFPB EXCERPTS FROM THIRD PARTY OUTLINE (citation omitted):**

**Business Day.** For purposes of the Rule both definitions of "business day" under Regulation Z are used, depending on the context. Regulation Z has a creditor-based definition of "business day" and a specific definition of "business day." The creditor-based definition is used to determine the period to issue an initial or a revised Loan Estimate. The specific definition is used to determine the waiting periods applicable to the Loan Estimate and Closing Disclosure, the deadline for a consumer to receive a revised Loan Estimate, and the mailing rule applicable to when the Loan Estimate or Closing Disclosure are delivered by any method other than in person delivery. Note that the specific definition of "business day" also is used under Regulation Z for calculating the three business day period for the right to rescind and the waiting period for a consumer to receive a revised TILA disclosure if the annual percentage rate becomes inaccurate (as defined in Regulation Z section 1026.22).

**Creditor-Based Definition of "Business Day"**. The creditor-based definition of "business day" is "a day on which the creditor's offices are open to the public for carrying on substantially all of its business functions." Note that the definition specifically refers to offices being open to the public, and not offices, such as backroom type operations, that are not open to the public. The Commentary provides the following guidance on activities that indicate whether a creditor is or is not open for substantially all of its business activities:

1. Activities that indicate that the creditor is open for substantially all of its business functions include the availability of personnel to make loan disbursements, to open new accounts, and to handle credit transaction inquiries.
2. Activities that indicate that the creditor is not open for substantially all of its business functions include a retailer's merely accepting credit cards for purchases or a bank's having its customer-service windows open only for limited purposes such as deposits and withdrawals, bill paying, and related services.

***Specific Definition of “Business Day”***. The specific definition of “business day” is “all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year’s Day, the Birthday of Martin Luther King, Jr., Washington’s Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.” As provided in the Commentary, “Four Federal legal holidays are identified in 5 U.S.C. 6103(a) by a specific date: New Year’s Day, January 1; Independence Day, July 4; Veterans Day, November 11; and Christmas Day, December 25. When one of these holidays (July 4, for example) falls on a Saturday, Federal offices and other entities might observe the holiday on the preceding Friday (July 3). In cases where the specific definition of “business day” applies, the observed holiday (in the example, July 3) is a business day.

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Assume Contract is executed August 26, 2015 (the "Effective Date" or "ED") granting Buyer 5 days to apply for financing and 45 days to obtain Loan Approval, 15 days to complete inspections, and requiring Seller to furnish Buyer with Title Evidence at least 15 days prior to closing date, which is set 58 days later on October 23, 2015 ("Closing Date" or "CD"). Further, assume Rider F. permits Buyer to obtain an appraisal at least 10 days prior to CD, and Rider H. grants Buyer up to 10 days prior to CD to acquire homeowners and flood insurance at specified premium amounts.

**Assume all default timelines in the new 2015 Revised FR BAR Contract are used by the parties. (CFPB REQUIREMENT = count "Business Days"; thus, Sundays and national holidays are excluded. FR BAR = count "Calendar Days", but delay performance that would otherwise occur, or deadlines that would otherwise end, on Saturdays, Sundays, or "national legal holidays" to either next business day or prior business day, as applicable.)**

AUGUST 2015							SEPTEMBER 2015							OCTOBER 2015						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
						1			1	2	3	4	5					1	2	3
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
30	31													1	2	3	4	5		NOV 2015

### TIMELINE IF 2015 REVISED FR BAR CONTRACT DEFAULT TIME PERIODS APPLY:

- Monday, August 31 – default deadline for Buyer to make "Loan Application" (5 C. days)
  - \*Thursday, September 3 – deadline for lender to mail/deliver "Loan Estimate". (3 B. days)
  - \*Tuesday, September 8 - date Buyer is presumed to have received mailed Loan Estimate (3 B. days)
  - Thursday, September 10 – default deadline for completion of Inspections. (15 C. days)
  - \*\*Monday, September 21 – Buyer MAY provide "Notice to Proceed". (10 B. days)
  - Friday, September 25 – default deadline for Buyer to obtain appraisal (assumed) and Homeowners / Flood insurance. (30 C. days)
  - Monday, September 28 – deadline for Buyer to terminate due to appraisal deficiency or Homeowners/Flood insurance premium issues. (3 C. days)
  - Thursday, October 8 – default deadline for delivery of Title Evidence (including survey). (15 C. days)
  - Tuesday, October 13 – default deadline for Buyer to obtain Loan Approval. (45 C. days)
  - Tuesday, October 13 – default deadline for Buyer to examine Title Evidence and Survey, and to notify Seller of defects. (5 C. days)
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- Friday, October 16 – deadline for either party to terminate Contract due to Buyer's failure to obtain Loan Approval. (7 C. days)
  - \*Friday, October 16 – deadline for lender to mail Closing Disclosure to Buyer. (7 B. days)
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- \*Tuesday, October 20 – deadline for Buyer's receipt of Closing Disclosure. (3 B. days)
  - Friday, October 23 – deadline for Buyer's walk-through (Closing Date)
  - Friday, October 23 – Closing Date
  - \*Monday, October 26 – deadline for mailing amended Closing Disclosure (to meet Closing Date extension deadline). (7 B. days)
  - Monday, November 2 – default deadline for extended Closing Date. (10 C. days)

\* Mail Rule: Lender may assume Buyer received either Loan Estimate or Closing Disclosure on 3<sup>rd</sup> business day after mailing (Note: in example above 9/7/15 is Labor Day, a national holiday; thus delivery is presumed on 9/8/15.)

\*\*Mail Rule Exception: Although Saturday can generally be counted as a "business day", if the lender is not considered "open" on Saturdays for normal loan services, then it is not a business day. (Note: In the above example, Buyer's 10 day period for delivery of Notice to Proceed to lender would end on Saturday, 9/19/15. In this circumstance, to provide Buyer her full 10 business days, it is assumed Buyer will have until Monday, 9/21/15 to deliver Notice to Proceed to the lender, rather than being required to deliver the Notice on Friday, 9/18/15 which would only be a 9 business day period.)

2015 REVISED FAR/BAR CRITICAL DATES

**KEY**

**AED** = After Effective Date

**PTC** = Prior to Closing

**STD** = Standard

<b>EVENT</b>	<b>PARA/STD</b>	<b>DAYS</b>	<b>DATE</b>
1. Effective Date	3.(b)	N/A	08/26/15
2. Loan Application	8. (b)	____ or 5 AED	08/31/15
3. Loan Commitment Date	8. (b)	____ or 45 AED	10/12/15
4. Cancellation for Lack of Loan Commitment	8. (b)	7 PTC	10/16/15
5. Delivery of Title Evidence	9.(c) STD 18. A.(i)	15 PTC or 5 PTC	10/8/15
6. Obtain Survey	9. (d) and STD 18.B.	15 PTC or 5 PTC	10/8/15
7. Title Examination	STD 18. A.(ii)	5 After Receipt	10/13/15
8. Survey Examination	STD 18. B.	5 After Receipt	10/13/15
9. Title Defect Notice	STD A and B	Same Period as Title & Survey Exam	10/13/15
10. Title Curing Period	STD A.(ii)	30	11/12/15
11. Inspection Period	12.(a)	15 AED	10/10/15
12. Termite Damage Notice to Seller	12.(c)	Within Inspection Period	10/10/15
13. Structural Inspection Defect Notice	12.(a)	Within Inspection Period	10/10/15
14. Permit Inspection Defect Notice	12.(d)	Within Inspection Period	10/10/15
15. Walk Through Inspection	12.(e)	PTC	10/23/15
16. Closing	4.	N/A	10/23/15