



COMPLIANCE BRIEF

April 30, 2021



- ✓ Status update: Revised General QM
- ✓ CFPB Proposed Changes to Servicing Rules
- ✓ Consumer Protection Tips to Share
- ✓ Upcoming Training



Revised General QM Status

- Effective March 1, 2021
- CFPB delayed Mandatory Compliance from July 1, 2021 until Oct. 1, 2022
 - April 27, 2021 [Final Rule](#)
 - Effective June 30, 2021
 - CFPB [Executive Summary](#) of the final rule
- Updated CFPB Resources
 - [Comparison Chart](#) of ATR Requirements w/ Qualified Mortgages
 - [Small Entity Compliance Guide](#)



April 30, 2021

IBA Compliance Brief

3



Revised General QM Status

Available ATR standards for applications dated March 1, 2021 to Sept. 30, 2022:

- ATR
- Original DTI-based General QM
- Revised Price-based General QM
- Temporary GSE QM
- Small Creditor QM
- Balloon Payment QM
- Seasoned QM



April 30, 2021

IBA Compliance Brief

4



Revised General QM Status

- [Fannie Mae](#) & [Freddie Mac](#) Lender Letters
 - Announced in early April additional criteria for loans they purchase
 - Applications taken on or after July 1, 2021 must meet the **revised General QM standards**
 - Even with CFPB delay in mandatory compliance date until Oct. 1, 2022
 - Fannie & Freddie will not purchase GSE QMs with application dates after July 1



April 30, 2021

IBA Compliance Brief

5



**SUBJECT
TO CHANGE**

Revised General QM Status

- If you sell to Fannie & Freddie, you will need to transition to making revised General QM loans by July 1
 - Develop **written** policies & procedures for considering & verifying a consumer's repayment ability
 - Can reference use of Fannie or Freddie selling guides
 - Implement documentation standards to "show your work"
 - Work w/ vendors to implement underwriting procedures
 - Train staff
 - Watch Fannie & Freddie for additional announcements re: changes in eligibility and verification requirements

April 30, 2021

IBA Compliance Brief

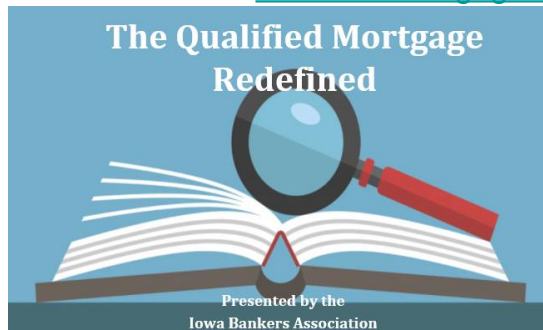
6



Revised General QM Status

Need more details on the revised General QM?

IBA on-demand webinar: [Qualified Mortgage Redefined](#)



April 30, 2021

7



Mortgage Servicing Proposal

- Requires **LARGE** servicers to:
 - Provide additional info on forbearance programs (or end date if in forbearance) during “live contact” w/ past due borrowers
 - Requirement expires Aug. 31, 2022
 - Perform reasonable due diligence in regard to incomplete loss mitigation applications to determine if borrower wants to complete
- Permits servicers to offer loan modifications based on incomplete applications under certain conditions
 - Loan term no longer 480 months
 - No fees related to loan modification
 - Pre-existing delinquency resolved by acceptance of modification

April 30, 2021

IBA Compliance Brief

8



Mortgage Servicing Proposal

- Adds temporary blanket prohibition on making first notice or filing for foreclosure due to delinquency until after Dec. 31, 2021
 - Delinquency does NOT have to be related to COVID
 - Applies to portfolio and GSE-backed loans
 - Limited to loans secured by principal residence of borrower
 - 1st and subordinate liens
 - **Does NOT apply to “small” servicers**
 - Services, together with any affiliates, 5,000 or fewer mortgage loans, all of which the servicer (or an affiliate) is the creditor or assignee

April 30, 2021

IBA Compliance Brief

9



FTC Consumer Tips on Scams

Tips to avoid COVID Vaccine Scams

- NEW toll-free # (877-355-0213)
- You can't pay to put your name on a list to get the vaccine. That's a scam.
- You can't pay to get early access to the vaccine. That's a scam.
- Nobody legit will call, text, or email about the vaccine and ask for your Social Security, bank account, or credit card number. That's a scam.

Three Ways to Avoid COVID-19 Vaccine Scams

While vaccination details are getting worked out, here's what you can be sure of:

- You can't pay to put your name on a list to get the vaccine. **That's a scam.**
- You can't pay to get early access to the vaccine. **That's a scam.**
- Nobody legit will call about the vaccine and ask for your Social Security, bank account, or credit card number. **That's a scam.**

Ignore any vaccine offers that say different, or ask for personal or financial information.

Learn more at ftc.gov/coronavirus/scams

FEDERAL TRADE COMMISSION

April 30, 2021

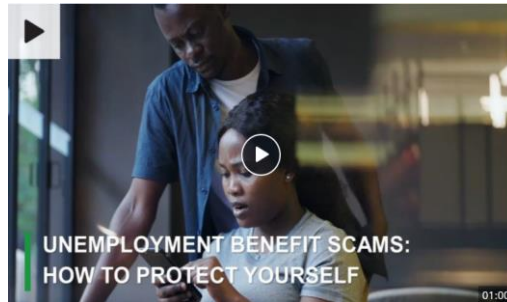
IBA Compliance Brief

10



CFPB Video on Unemployment Benefit Claim Scams

- Scammers stealing identities to file unemployment benefit claims
- Warning signs and steps consumers can take to report unemployment benefit fraud



April 30, 2021

IBA Compliance Brief

11



Upcoming Training Opportunity



IBA HPML Webinar

- May 12th, 10 – 11:30 am
- Covered Loans
- Determining rate spread
- Escrow requirements & exemptions including NEW exemption
- Appraisal requirements & exemptions
- Register [here](#)

April 30, 2021

IBA Compliance Brief

12



Got Compliance Questions?

- On IBA website:
 - [Compliance FAQ](#)
 - [Bankers Compliance Resources](#)
 - [Disclosure](#)
 - [Links to COVID-19 Regulatory Guidance](#)
 - [COVID-19 FAQ](#)
- Compliance Hotline
 - compliance@iowabankers.com
 - 844-REGS411 (or 844-734-7411)



THANKS
FOR
LISTENING