

Rich E. Blanchard
Managing Director, RICH Home Loans LLC
NMLS: 492461
1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900
Mobile: 303.328.7047
richblanchard@richhomeloans.com
View My Website

CFPB Criticized for Lack of Guidance

Our old standby for information on all-things-CFPB has slammed a new "fact sheet" issued by the agency regarding the treatment of construction-to-permanent loans under new TRID disclosure rules. CFPB (the Consumer Financial Protection Bureau) issued the two page sheet this month and Richard J. Andreano, writing in the CFPB blog of the Ballard and Spahr law firm says it **"falls far short of the detailed guidance** sought by the mortgage industry."

CFPB's sheet speaks first to the loan estimate and closing disclosure under the new TILA/RESPA Integrated Disclosure (Know Before You Owe) rule. Construction-to-permanent loans are composed of a phase in which payments (usually in multiples) are made to fund construction and then a permanent phase during which payments cease and the loan begins to amortize. The sheet explains that, as under the old rules, the lender has the option for disclosure purposes of **treating the loan as a single entity** or as two separate loans. It can issue a single estimate and disclosure covering the whole loan package or issue separate estimates and disclosures for the construction and the "take out" phase.

Andreano complains that the TRID rule does not provide detailed guidance as to how to complete loan estimates and closing disclosures for this type of loans nor are sample disclosures included with the TRID rule. In the fact sheet, CFPB refers the reader to Appendix D to Regulation Z, saying it continues to apply under the new TRID rule. Appendix D provides guidance on how to compute the amount financed, APR and finance charge for a **multiple advance** construction loan, when disclosed either as a single transaction or as separate transactions.

According to Andreano, "The TRID rule added a commentary provision regarding Appendix D to address the disclosure of principal and interest payments in the Projected Payments sections of both the Loan Estimate and Closing Disclosure. The commentary provision does not address other elements of the Projected Payments sections. Additionally, the CFPB **does not clarify** in the fact sheet that Appendix D applies only when the actual timing and/or amount of the multiple advances are not known."

Andreano appears particularly bothered that CFPB is aware that the guidance they are providing is inadequate as "the CFPB's final statement in the fact sheet is "The Bureau is considering additional guidance to facilitate compliance with the Know Before You Owe mortgage disclosure rule, including possibly a webinar on construction loan disclosures."

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.30%	+0.12	0.00
15YR Fixed	6.92%	+0.09	0.00
30YR FHA	6.89%	+0.07	0.00
30YR Jumbo	7.40%	+0.03	0.00
7/6 SOFR	6.80%	+0.31	0.00
30YR VA	6.90%	+0.07	0.00

Rates as of: 11/10

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.43	-0.62
10 YR Treasury	4.9860	+0.0952
30 YR Treasury	5.3557	+0.0737

Pricing as of: 11/10 5:59PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Oct 28	192.6	-1.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans

The industry **needs and deserves more than a webinar**, he says. It should receive detailed written guidance with sample disclosures. "The failure of the CFPB to provide written guidance on other aspects of the TRID rule has significantly contributed to the confusion and uncertainty in the industry regarding TRID rule requirements. It is frustrating to the industry that the CFPB continues to resist providing written guidance on TRID rule matters (as well as other matters), particularly when its sister federal agencies regularly provide written guidance on important matters."

Expert Advice | Exceptional Service | Flawless Execution

With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

Rich E. Blanchard 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans