



**National Association
of Federal Credit Unions**
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NAFCU | Your Direct Connection to Education, Advocacy & Advancement

February 7, 2014

Monica Jackson
Office of the Executive Secretary
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

RE: Docket No. CFPB-2013-0036: Bureau of Consumer Financial Protection
Request for Information Regarding the Mortgage Closing Process

Dear Ms. Jackson:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents federal credit unions, I am writing to you regarding the Consumer Financial Protection Bureau's (CFPB) request for information regarding the mortgage closing process.

NAFCU appreciates the CFPB's efforts to develop a more streamlined, efficient and educational closing process and its willingness to work with the financial services industry in doing so. NAFCU has identified some issues with the closing process that we would like the CFPB to consider in moving forward with the implementation process.

First and foremost we agree with the CFPB's initiative to streamline the amount of disclosure documents consumers receive at closing. However, we believe that these documents can be further consolidated and simplified and would like to work with the CFPB through its Know Before You Know initiative to do that.

NAFCU would like to highlight to the CFPB that consumers are most concerned about the size of their mortgage and monthly payment at closing. Other concerns we have heard from our members have surrounded the annual percentage rate (APR). NAFCU requests that the CFPB provide more clarity to both financial institutions and consumers alike about the annual percentage rate requirements of the final integrated disclosures rule. Additionally, members have stated that consumers are overwhelmed by the amount of disclosures and documents at closing, and are frequently unaware of the types of documentation they are required to bring to get loan approval.

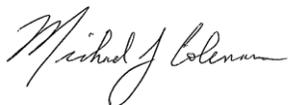
Most of the common errors our members have identified occur when comparing original estimated costs on the Good Faith Estimate (GFE) and other errors stemming from GFE calculation. Other errors relate to interest calculations, payment calculations, loan amounts stated in error, and closing cost errors. If a consumer needs advice about the possibility of an error or any other concern, they will typically contact their individual loan originator or assigned closing agent either in person or on the phone.

Members are often overwhelmed by the sheer magnitude of documents they see but they can often remember seeing the final Truth in Lending disclosures and the HUD-1 closing statement. Additionally, they are often most confused by the GFE, Truth in Lending final document (especially due to the APR), right of rescission provisions, and the HUD-1 closing statement.

As the effective date is not until August 1, 2015, NAFCU strongly urges the CFPB to consider doing a follow up request for information after the rule has been implemented and credit unions have had time to assess the operational difficulties with the closing process. It is difficult to anticipate what concerns institutions may have such a far time in advance and many of our members have not been able to fully assess the implications of the regulation given its breadth and the mortgage compliance demands of this past month.

NAFCU appreciates the opportunity to share its thoughts on the mortgage closing process. Should you have any questions or concerns, please feel free to contact me at mcoleman@nafcu.org or (703) 842-2244.

Sincerely,

A handwritten signature in cursive script that reads "Michael J. Coleman".

Michael Coleman
Director of Regulatory Affairs