

Legal and Compliance Report—January 2020¹

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CFPB Publishes Two TRID Guides for Construction Loans

On December 18, 2019, the CFPB published two guides on disclosing construction-only and construction-permanent loans under the TILA-RESPA Integrated Disclosure Rule (“TRID”). The guides feature examples based on frequent questions received by the CFPB related to TRID and its application to construction and construction-permanent loans.

The **Combined Guide** (available [here](#)) provides guidance for disclosing the construction and permanent phases together, and the **Separate Guide** (available [here](#)) provides guidance for disclosing the phases separately.

CFPB Publishes Annual HMDA and TILA Adjustments

On December 20, 2019, the CFPB published final rules adjusting the asset-size thresholds for depository institutions under Home Mortgage Disclosure Act (“HMDA”) and the Truth in Lending Act (“TILA”). Both rules take effect on January 1, 2020.

Home Mortgage Disclosure Act (Regulation C)

Under HMDA, depository institutions with assets below certain dollar thresholds are exempt from the collection and reporting requirements. The HMDA exemption threshold increased to \$47 million from \$46 million. 84 FR 69993 (available [here](#)). As a result, institutions with assets of \$47 million or less as of December 31, 2019, are exempt from collecting and reporting HMDA data in 2020.

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Truth in Lending Act (Regulation Z)

TILA exempts certain entities from the requirement to establish escrow accounts when originating higher-priced mortgage loans (HPMLs), including entities with assets below the asset-size threshold established by the CFPB. The asset-size threshold increased from \$2.167 billion to \$2.202 billion. 84 FR 70410 (available [here](#)). Therefore, creditors with assets of \$2.202 billion or less as of December 31, 2019, are exempt—provided the other requirements of Regulation Z are met—from the requirement to establish escrow accounts for HPMLs in 2020.