

NEWS FROM SCDCA

South Carolina Department of Consumer Affairs



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May 24, 2011

Release #11-009

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FOR IMMEDIATE RELEASE

Mortgage Disclosure Forms Getting a Makeover

Columbia, SC... - The Federal Consumer Financial Protection Bureau (“CFPB”) is asking for consumer feedback during the overhaul of the forms given to consumers who apply for a mortgage loan. The goal is to combine the current 2-page Truth in Lending form and 3-page Good Faith Estimate form into a simple, shortened disclosure. These documents are meant to provide basic loan information so consumers can pick the mortgage that best suits their needs. Critics have said, however, that the forms used now contain too much information and leave out important terms a consumer needs to know before signing on the dotted line.

“While mortgage loan disclosures are meant to enable consumers to effectively participate in the marketplace, potential homebuyers are often confused by the information meant to empower them. SCDCA applauds the CFPB’s attempts to enhance the value of the disclosures for consumers and we encourage consumers to let their voices be heard in this process,” said SCDCA Acting Administrator Carri Grube Lybarker.

Consumers can visit <http://www.consumerfinance.gov/knowbeforeyouowe/> before **Friday, May 27, 2011** and choose which of the two draft forms best provides loan information. CFPB will revise the drafts based on consumer feedback and again seek public comment on the latest versions this summer.

SCDCA aims to protect consumers from inequities in the marketplace through advocacy, complaint mediation, enforcement and education. To file a complaint or get information on consumer issues, visit www.scconsumer.gov or call toll-free, 1.800.922.1594.