



April 17, 2026

Via Email: [CFPB\\_Strategy@cfpb.gov](mailto:CFPB_Strategy@cfpb.gov)

Consumer Financial Protection Bureau

To Whom It May Concern:

The Housing Policy Council (HPC)<sup>1</sup> welcomes the opportunity to submit comments on the Consumer Financial Protection Bureau's (CFPB or Bureau) draft Strategic Plan for FY 2026-2030 (Strategic Plan or Plan). The release of the Plan provides transparency and an opportunity for interested stakeholders to engage with the Bureau on long-term strategy and priorities. HPC is supportive of the goals outlined in the Plan and our comments are focused mainly on Goal 2 – “Reduce unwarranted regulatory burdens,” including identifying and addressing outdated, unnecessary, or unduly burdensome regulations and preventing regulatory overreach to provide effective use of regulatory resources.

As a threshold matter, we encourage the CFPB to engage in ongoing, thoughtful outreach and conversations with stakeholders on ways to meaningfully achieve Goal 2 with durable outcomes. A significant amount of the mortgage regulations promulgated by the CFPB have been in place for over a dozen years, providing a clear view of the successes and failures of these rules. This is an appropriate time to revisit policy decisions made in response to the 2008 financial crisis and right-size certain regulations so that the mortgage market operates efficiently and effectively with appropriate consumer protections.

We offer the following suggestions for policy improvements that we believe will have a positive impact on mortgage lenders, servicers, and consumers. This list reflects various requests previously submitted to the Bureau by HPC, all of which are aligned with the CFPB's stated goals in the Plan and the goals of this Administration.

### **1) Modernize Loss Mitigation Regulations (Reg X)**

HPC has long advocated that the loss mitigation framework and certain related provisions of Regulation X are ripe for thoughtful revisions and updates. Operational experience over the last 10 years, across economic cycles, natural disasters and evolving borrower needs, demonstrates that the current framework is overly prescriptive and does not align with how effective loss mitigation is delivered in practice. There is a path forward to streamline Regulation X to

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<sup>1</sup> The Housing Policy Council is a trade association comprised of the leading national mortgage lenders and servicers; mortgage, hazard, and title insurers; and technology and data companies. Our interest is in the safety and soundness of the housing finance system, the equitable and consistent regulatory treatment of all market participants, and the promotion of lending practices that create sustainable homeownership opportunities in support of vibrant communities and long-term wealth building for families. For more information, visit [www.housingpolycouncil.org](http://www.housingpolycouncil.org)

accommodate evolving loss mitigation practices and ease the regulatory burden for servicers, while providing flexibility and clarity to servicers in assisting borrowers in a timely, fair, and efficient manner. We welcome the opportunity to work with the CFPB on the best path toward attaining this result.

**2) Adjust ATR / QM to Permit Products and Practices that Are Consistent with the Original Intent of the Law.**

**a) Streamlined Refinances as Qualified Mortgages (ATR/QM)**

All four government insured housing programs in Ginnie Mae securities (FHA, VA, RHS, and PIH) benefit from special exemptions from ATR that allow for a streamlined refinance option with simplified eligibility requirements. These streamlined programs permit lenders to quickly and efficiently reduce the rate and/or extend the mortgage term to reduce the borrower's monthly payment. These programs do not introduce new levels of risk to the credit risk holders and, therefore, require minimal credit assessment, so long as the benefit to the borrower is affirmed. The GSEs offered similar programs prior to the regulatory expiration of the GSE Patch. We recommend that the CFPB consider a regulatory change to allow for similar streamlined refinance programs for all non-government insured options. Such a regulatory change would increase the availability of rate/term refinances, providing opportunities for consumers to reduce their mortgage costs. This would directly achieve the directive in EO 14393, Section 2(a)(vi).

**b) Permit Curing De Minimis Errors After Closing (ATR/QM)**

We recommend the Bureau reinstate the QM points and fees cure provision (which expired in 2021). That provision allowed a lender to fix a calculation or other error to retain QM status for a loan that would otherwise exceed the applicable points and fees cap. Reinstating the cure provision would reduce regulatory burden and cost and help more consumers attain an affordable mortgage.

**c) Align Treatment of Loan Originator (LO) Compensation under QM Points and Fees (ATR/QM)**

The CFPB should align the treatment of borrower-paid and lender-paid LO compensation under the QM points and fees calculation. Both types of compensation should be calculated on the date the interest rate is set. The timing should not depend on the type of compensation and because compensation can vary up until consummation, the difference in timing can lead to unnecessary last-minute failures.

**3) Improve TRID Waiver and Tolerance Provisions (TRID)**

A decade of experience operating under the current TRID regime demonstrates that changes are needed to reduce regulatory burden and improve the consumer's mortgage closing experience. We recommend the Bureau undertake a rulemaking to make meaningful, substantive improvements to the framework around timing, tolerances, and rescission that are paired with

explicit recognition of state title and escrow laws and that are designed to preserve and protect settlement accuracy, lien certainty, and consumer understanding. Such changes should include:

- a) Waiving the 3-day timing for Closing Disclosure: The current rule requires a borrower to wait three days after receiving a Closing Disclosure before closing, and such timing can only be waived in the case of a bona fide personal financial emergency. The rule should be amended to permit a voluntary waiver of this waiting period, initiated by the borrower with full knowledge. Such a provision would improve the borrower's experience and reduce a lender's regulatory burden.
- b) Establish a reasonable error resolution framework: CFPB should amend the TRID rule to establish rules for resolving mistakes within a reasonable timeframe. The rule should distinguish between minor technical errors and material and substantive errors and set forth appropriate tolerances with a safe harbor and/or terms to cure minor or technical errors that cause no borrower harm. Today, lenders incur significant costs addressing non-material errors that have no substantive impact on the borrower.
- c) Adjust pricing tolerance thresholds: Adjustments need to be made to reflect the difficulty in estimating certain charges. Specifically, affiliated service fees should be reclassified from zero tolerance to a 10 percent tolerance, aligning them with services provided by non-affiliated third parties. Additionally, transfer taxes should be reclassified from zero tolerance to unlimited tolerance, subject to existing good faith requirements, similar to real estate taxes and homeowner's insurance premiums. Providing this clarity would reduce the overall transaction costs, driving savings for borrowers.
- d) Streamline title policy disclosure: Current disclosure requirements introduce unnecessary friction and risk into the closing process and do not provide tangible benefit to consumers.

#### **4) Update Loan Officer Compensation Requirements (Reg Z)**

The current rigidity of the Loan Originator Compensation Rule, a relic of a different market era, prevents lenders from passing direct savings to borrowers. In lieu of static compensation mandates, the Bureau should allow mortgage providers to voluntarily offer pricing concessions to consumers to compete head-to-head on price. In a competitive environment, the ability to reduce an originator's commission to meet a competitor's price translates into lower closing costs and more attractive interest rates for the applicant. Eliminating these 'anti-shopping' barriers is positive for consumers, lenders, and the whole ecosystem. The Bureau should also amend its Loan Originator Compensation Rule to allow mortgage lenders to decrease loan originator (LO) compensation when the LO's actions cause clerical errors or violate lender or regulatory policy. Under the current rule, the lender cannot reduce LO compensation after loan terms have been offered and,

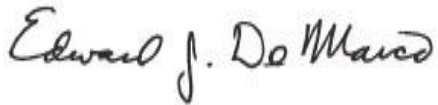
therefore, cannot hold LOs responsible for their mistakes through loan-level compensation adjustments. Holding loan originators more accountable will reduce errors and promote consistent compliance, which ultimately benefits consumers and lenders.

**5) Waiver of Right of Rescission for Refinances (Reg Z)**

Under the current regulations, a lender must delay disbursement of funds for three days after closing a refinance to maintain the borrower's right of rescission. For borrowers with no intention of cancelling, this waiting period creates an unnecessary delay in accessing their equity. The CFPB should modernize the rescission framework by using its broad exemptive authority under TILA to allow early disbursement where refinancing borrowers voluntarily, affirmatively waive or decline the rescission period. This would expand the existing waiver provision, which is limited to bona fide personal financial emergencies.

We look forward to working with the Bureau to reform these regulations to reflect the best reading of the statute and appropriately balance costs and benefits.

Yours truly,

A handwritten signature in cursive script that reads "Edward J. DeMarco".

Edward J. DeMarco  
President  
Housing Policy Council