



Yesterday, the CFPB issued a final rule that adds a new exemption from the Regulation Z HPML requirement for establishing an escrow account for certain higher-priced mortgage loans. The final rule exempts secured loans made by insured depository or credit union institutions when the institution has met certain conditions. The conditions include (1) having less than \$10 billion in assets, (2) together with its affiliates, originating 1,000 or fewer loans secured by a first lien on a principal dwelling during the previous calendar year, and (3) certain existing HPML escrow exemption criteria are met.

You can read the final rule here: [Higher-Priced Mortgage Loan Escrow Exemption \(Regulation Z\) | Consumer Financial Protection Bureau \(consumerfinance.gov\)](#)

An unofficial redline and official interpretations of the final rule were also released, which can be found here: [Rules governing escrows for higher priced mortgages | Consumer Financial Protection Bureau \(consumerfinance.gov\)](#)

The final rule will become effective once published in the Federal Register.