

February 25, 2021

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Revising the New General QM Final Rule and Seasoned QM Final Rule: CFPB Expected to Postpone the Mandatory Compliance Date for the New General QM Final Rule and New Seasoned QM Final Rule and Temporarily Keep the GSE QM Loan Definition in Place, and Will Consider Revising the Seasoned QM Rule and Other Portions of the New QM Final Rule

On February 5, a [Buchalter Client Alert](#) discussed CFPB Acting Director Uejio's announcement that he was considering delaying implementation of the two new QM Final Rules (the "General QM final rule", which creates a new definition for QMs generally, and the "Seasoned QM Final Rule", which establishes a new "Seasoned QM"), and stated that the CFPB might consider changes to both rules.

Now, on February 23, in a new statement

(https://files.consumerfinance.gov/f/documents/cfpb_qm-statement_2021-02.pdf), the CFPB announced several related steps in regard to the General QM Final Rule and the Seasoned QM Final Rule:

1. It expects to issue a rule to delay the July 1, 2021 mandatory compliance date of the General QM Final Rule. The CFPB stated that if such a proposed rule were published, creditors would be able to use either the current General QM loan definition or the revised General QM loan definition for applications received during the period from March 1, 2021, until the delayed mandatory compliance date.
2. The CFPB stated that such a proposed rule would cause the Temporary GSE QM loan definition to remain in effect until the new mandatory compliance date, in accordance with the October 20, 2020 final rule described above, unless a GSE ceases to operate under conservatorship prior to the new mandatory compliance date.
3. The CFPB announced that it is considering whether to initiate a rulemaking to revisit the Seasoned QM Final Rule, including whether to revoke or amend the Seasoned QM Final Rule and how that would affect covered transactions for which applications were received after the March 1 effective date.

4. The CFPB stated that it will consider at a later date whether to initiate another rulemaking to reconsider changes to the General QM Final Rule.

Such changes to the General QM Final Rule and the Seasoned QM Final Rule would pose operational challenges for lenders who have already begun to implement processes to address the requirements of the rules, and creates uncertainty as to how QMs will be defined in the future.

Through Client Alerts, Buchalter will continue to provide updates as the CFPB works through this issue. Our Mortgage Banking Industry Group is available to help lenders understand and address issues related to this rule and others. Please reach out to our Mortgage Banking Industry Group if you have any questions about this or other mortgage-related issues.



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