

Mortgage servicing coverage chart¹



Regulation X (12 CFR 1024)	Closed-end, principal residence	Closed-end, non- principal residence	Open-end	Servicers and loan types exempt from coverage
Escrow Accounts (§§ 1024.17 and .34)	Y	Y	Y (only for § 1024.17)	No annual statement required for certain default, foreclosure, or bankruptcy situations, per § 1024.17(i)(2). Subject to 1024.37, small servicers ² may purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance, per § 1024.17(k)(5)(iii).
Servicing Transfers (§ 1024.33(b)-(d))	Y	Y	N	Certain transfers specified in § 1024.33(b)(2) if there is no change in the payee, address for payments, account number, or amount of payment due.
Error Resolution & Information Requests (§§ 1024.35 and .36)	Y	Y	N	
Force-Placed Insurance (§ 1024.37)	Y	Y	N	Subject to § 1024.37, small servicers may purchase force-placed insurance if less expensive than escrow payment for borrower's hazard insurance, per § 1024.17(k)(5)(iii).
Policies & Procedures (§ 1024.38)	Y	Y	N	Small servicers; reverse mortgages ³ ; qualified lenders. ⁴
Early Intervention (§ 1024.39)	Y	N	N	Small servicers; reverse mortgages; qualified lenders. Partial exemptions for certain loans with a borrower in bankruptcy and certain debt collection-related situations, per § 1024.39(c)(1) and (d).
Continuity of Contact (§ 1024.40)	Y	N	N	Small servicers; reverse mortgages; qualified lenders.
Loss Mitigation Procedures (§ 1024.41)	Y	N	N	Small servicers (except must comply with certain prohibitions on foreclosure referral, moving for judgment or order of sale, or conducting a sale, per § 1024.41(j)); reverse mortgages; qualified lenders.

Regulation Z (12 CFR 1026)	Closed-end, principal residence	Closed-end, non-principal residence	Open-end	Servicers and loan types exempt from coverage
ARM Disclosures (§ 1026.20(c) & (d))	Y	N	N	Adjustable-rate mortgage (ARM) with term of 1 year or less. Exemption from § 1026.20(c) for certain first rate adjustments and certain debt collection-related situations.
Escrow Cancellation Notices (§ 1026.20(e))	Y	Y	N	Reverse mortgages; subordinate-lien mortgages.
Prompt Crediting & No Pyramiding (§ 1026.36(c)(1)-(2))	Y	N	N ⁵	
Payoff Statements (§ 1026.36(c)(3))	Y	Y	Y	
Mortgage Loan Transfer Disclosures (§ 1026.39)	Y	Y	Y (only principal dwellings)	Servicers that are not covered persons per § 1026.39(a)(1) or that are subject to an exception in § 1026.39(c).
Periodic Statements (§ 1026.41)	Y	Y	N ⁶	Small servicers; reverse mortgages; timeshare plans; certain charged-off loans; certain loans with a consumer in bankruptcy. Certain fixed-rate loans with coupon books are exempt from some requirements, per § 1026.41(e)(3).

¹ This chart summarizes rules in effect as of April 19, 2018 and is not a substitute for the rules. Only the rules and the Official Interpretations can provide complete and definitive information regarding their requirements. The complete rules, including the Official Interpretations and small entity compliance guide, are available at www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/mortserv. This chart does not include a discussion of the definitions or overall coverage exemptions in Regulations X and Z (for example, there are overall exemptions for credit primarily for a business purpose). For more information, see, e.g., 12 CFR 1024.2; 12 CFR 1024.5; 12 CFR 1026.1; 12 CFR 1026.2; 12 CFR 1026.3; 12 CFR 1026.5. This chart discusses only the requirements listed in the chart and does not describe all of the requirements that may apply to a particular transaction.

² Small servicer is defined in 12 CFR 1026.41(e)(4)(ii).

³ Reverse mortgage transaction is defined in 12 CFR 1026.33(a).

⁴ Qualified lender is defined in 12 CFR 617.7000.

⁵ For payment processing requirements for open-end loans, see 12 CFR 1026.10.

⁶ For periodic statement requirements for open-end loans, see 12 CFR 1026.7.