

APPENDIX C1

Instructions for Completing TILA Rescission Notice

Use this form (a) if your loan is a *refinance* (not the loan you used to buy your house), (b) if you signed the mortgage documents less than three years ago, and (c) you think the lender did not comply with the Truth in Lending Act.

To figure out whether the lender complied with the Truth in Lending Act, you or an attorney must review your mortgage documents.

Check whether the lender gave you:

- A paper called a Truth in Lending Disclosure Statement.
- A paper that says “Itemization of Amount Financed” listing the fees that the lender charged (*not* the Good Faith Estimate and *not* the Settlement Statement).
- If there is no “Itemization of Amount Financed,” did the lender tell you in the mortgage documents that you have the right to request one?
- Two* copies of a Notice of Right to Cancel for *each* person whose name is on the deed (even if not all of the people signed the note and mortgage). If you did get Notices of Right to Cancel, do they contain all of the necessary information:
 - Is the date of the closing correct?
 - Is the date to cancel three business days later, including Saturdays but not including Sundays or legal holidays?

If any of the above are missing or incorrect, you may have the legal right to rescind (cancel) the loan.

You may also have the right to rescind the loan if the lender improperly failed to disclose finance charges. It is best to have an attorney review this issue for you. If you have no attorney, you can try to look for improper disclosures on your own.

Were you overcharged for recording fees? Check with the County Clerk to find out how much the lender paid to record your mortgage. Compare that number to the amount you were actually charged. That number is listed on the Settlement Statement that you receive when you got the loan.

Were you overcharged for title insurance? If this loan was a refinance, you should have been charged less than the cost of title insurance on a purchase.

To complete the sample rescission letter:

1. On the top right of the form, fill in your address and the date.
2. In the spaces provided, fill in the number of the return receipt form from the post office that you will use with this letter.

3. Below the return receipt number, fill in the address for the holder of the note if you have it. Otherwise, address the letter to the customer service address for the lender or to the attorney representing the lender if you are in foreclosure.
4. Below the line that says “TRUTH IN LENDING RESCISSION NOTICE,” fill in your name, the property address, and the account number.
5. On the lines provided in the first paragraph of the letter, fill in the name of the lender and the date you signed the loan papers.
6. Sign the letter.
7. Make a *photocopy* of the letter for your records. A handwritten copy of the form is not enough.
8. Mail the original letter by certified mail, return receipt requested.
9. Save your copy of the letter and your certified mail receipt in a safe place. When the green return receipt comes back to you in the mail, put it together with the letter and receipt.
10. You may or may not receive a response to your letter. If you do not receive a response, or if you receive a response denying you the right to rescind, put that information into your Answer, Defenses, and Counterclaims in the appropriate sections.