HINSHAW

No RESPA Claim for Violation of Written Acknowledgement Requirement under Regulation X

1 min read

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Last summer, the Consumer Financial Protection Bureau (CFPB) published its final rule amending existing mortgage servicer rules in Regulation X of the Real Estate Settlement Procedures Act (RESPA). Recently, the Eleventh Circuit Court of Appeals had the opportunity to determine what kind of damages might arise from a violation of Regulation X's written acknowledgment requirement.

The answer in this case was no concrete harm, with the Court affirming dismissal of a borrower's claim for violations of the 5 day written response acknowledgment provision of 12 C.F.R. § 1024.36(c). The borrower had sued his mortgage loan servicer for RESPA violations after his lawyer sent the servicer a Request for Information certified mail return receipt requested, and the servicer responded by returning the certified mail green card and by providing a substantive response 9 days later.

Despite receiving the green card and response, the borrower filed suit over the servicer's green card acknowledgment claiming damages in the cost of mailing a notice of error as well his attorneys' fees. The Eleventh Circuit held that Meeks had not suffered any concrete injury in fact and therefore lacked standing to sue citing in support the U.S. Supreme Court's recent decision in *Spokeo, Inc. v. Robins*. In the Court's view, Meeks suffered, at most, a bare procedural violation.

Meeks v. Ocwen Loan Servicing, LLC, --- Fed.App. ----, 2017 WL 782285 (11th Cir. Mar. 1, 2017)

Topics

Loan Servicing, CFPB, Real Estate Settlement Act, Mortgage Loans