

Periodic Statements and Coupon Books

While it is clear that the [CFPB's Final Servicing Rules for Small Servicers](#) does not require small servicers to provide periodic statements, it is not so clear that these rules exempt them from the requirements for "coupon books". However, since providing either periodic statements or coupon books is standard for the industry and necessary as notices to inform borrowers of what they will owe in their regular mortgage payment for principal and escrows (taxes, insurance, HOA, etc.), as a best practice affiliates should do provide one or the other. Additionally, if a Habitat for Humanity affiliate leverages its mortgages through a sale, assignment or as collateral with a third party financial institution; these notices would be expected by that third party.

Furthermore, since the servicing rules provide the content that should be included in either the periodic statement or coupon book, it would be wise to follow the requirements as set forth in the rule for "periodic statements for residential loans" in [12 CFR Part 1026, Section §1026.41](#).

The rules provide sample forms in the [Appendix H to Part 1026](#):

- For the sample form of a periodic statement, see [Appendix H to Part 1026 H-30\(A\)](#)
- For the sample form of a periodic statement with delinquency box, see [Appendix H to Part 1026 H-30\(B\)](#)
- Note: If the consumer is delinquent by more than 45 days, some of the information that is to be or may be included in the delinquent periodic statement per is not shown on the sample form. That can be on the form itself, or in a separate page mailed with the form, or in a separate letter. The rules list the information for delinquent borrowers in [section 1026.41](#), paragraph (d)(8), clauses (i) through (vii).

Some affiliates don't use an actual coupon book, but provide coupons sheets for the coming year. If a "book" is not used, each coupon should contain both:

- the information referenced in paragraph (3)(i) of [section 1026.41](#) to be included on the coupon, and
- the information referenced in paragraph (3)(ii) of [section 1026.41](#) to be "included anywhere in the coupon book"
- Note : If you use a coupon book (or coupons as described above), and if the consumer is delinquent by more than 45 days, then for each billing period while the account is still delinquent, you would need to provide an additional statement for each billing period during the delinquency that essentially includes the same information as is required for a delinquent borrower using a periodic statement, [section 1026.41](#), paragraph (d)(8), clauses (i) through (vii).