

You've Got Mail

The Closing Transaction and Changes Ahead

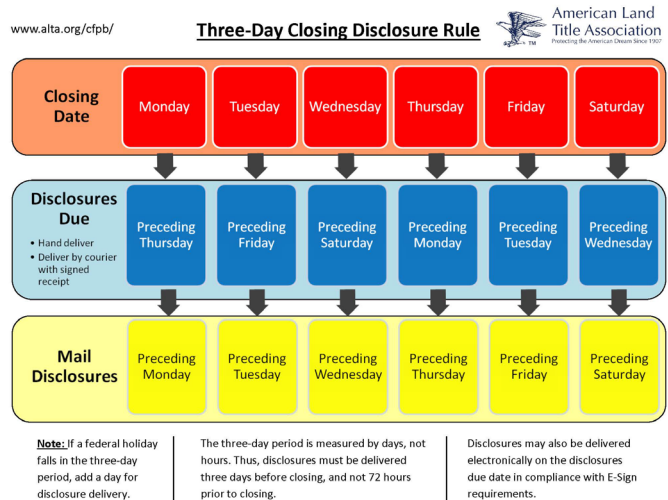
More than just the closing documents are changing - the closing process is changing as well. The CFPB put the liability for content and delivery of the Closing Disclosure on the Lender. For this reason many Lenders have chosen to take this role back and although they will utilize Settlement Agents for providing figures on portions of the document, the final preparation and any revisions in most cases, will be completed by the lender.



New Procedures:

- Closing Disclosure (CD) must be received by the Borrowers 3 days before the closing.
- An additional 3 day mailbox rule may be added depending on the delivery option chosen by the lender.
- The CD must contain the "best information available" when it is initially sent (including: payoffs, inspections, proration of taxes, assessments and repairs).
- Lenders and Settlement Agents may request information from the Realtors approximately 10-14 days prior to the closing.
- Delivery of the initial CD will be by the Lender to the Consumer in most cases.
- Delivery of the Closing Statement or the Seller Closing Disclosure to the Seller will be sent by the Settlement Agent.
- Any changes in fees not causing an increase in APR, a loan product change or pre-payment penalty added, **will not cause** additional days for the closing but could cause a delay waiting for the Lender to revise and re-issue the CD.
- The scheduling of closings will be dictated by the Lender due to the timeline requirements. Closings may be set far in advance of the contract close date.

The goal of the CFPB is to insure the Borrower has sufficient time to review and ask questions about the loan terms and closing costs in the transaction. To reach this goal it will be imperative that all parties communicate, collaborate and educate themselves to all aspects of the changes effective October 3, 2015, (the proposed implementation date pending public comment open until July 7, 2015). Meridian Title Corporation has utilized every resource possible to insure we are prepared to handle your transactions in compliance with the CFPB and ALTA Best Practices. We will continue to work with our Lender and Real Estate customers to educate and familiarize everyone with the information needed to handle our new way of business in a professional manner.



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