TILA-RESPA INTEGRATED DISCLOSURES (TRID) OPERATIONAL CONSIDERATIONS

A WHITEPAPER FOR TITLE AND SETTLEMENT SERVICE PROVIDERS TO SUCCEED IN THE NEW REGULATORY ENVIRONMENT

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Overview

Following a historic collapse of the nation's financial system, public scrutiny of financial institutions was abundant. Calls for increased financial oversight and reform grew in intensity amidst the larger chaos and continued economic instability.

In search of a response, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) was passed and signed into law in July 2010. Dodd-Frank addresses financial stability, investor protection and securities regulation, Federal Reserve supervision, and creation of the Bureau of Consumer Financial Protection (CFPB) in response to the bursting of the United States housing bubble, Wall Street's mortgage-related derivative products, and lending and underwriting practices.

Consequently, on April 13, 2012, the CFPB issued Bulletin 2012-03 which stated that lenders may be held legally responsible for the actions or inactions of their service providers; this bulletin was also a key driver to the creation of the ALTA Best Practices program. Then, rulemaking as mandated by Dodd-Frank began in July 2012 which created **Integrated Mortgage Disclosures under the Real Estate Settlement Procedures Act** (RESPA – or Regulation X) **and the Truth in Lending Act** (TILA – or Regulation Z) – hereinafter referred to as "the Rule." As the name indicates, this regulation combines several provisions of TILA and RESPA by satisfying the regulatory requirements of RESPA for several enumerated transactions with the proposed provisions of TILA's Regulation Z. In doing so, two new forms were introduced to replace those currently required by both TILA and RESPA:

A **Loan Estimate** – To replace the Good Faith Estimate (GFE) and initial Truth-in-Lending (TIL)

A **Closing Disclosure** – To replace the HUD-1 Settlement Statement and final TIL

Regardless of who prepares and delivers the Loan Estimate (LE) and Closing Disclosure (CD) to the consumer or how these disclosures are delivered, the creditor[1] is ultimately responsible for compliance. At this time, it is generally expected that creditors will prepare and deliver the Closing Disclosure; however, the creditor may contract with a settlement service provider to handle preparation and/or delivery.

The Rule creates a new challenge for settlement service providers who historically have only had to concern themselves with RESPA regulations for the HUD-1. The Loan Estimate and Closing Disclosure merge RESPA and TILA; potential penalties and even private right of action may apply.

So, with the October 3, 2015 effective date of the Rule rapidly approaching, the title and settlement industry must get ready to implement several changes to the way it operates – particularly to deepen partnerships with their lender customers to help enable compliance and continue illustrating the value of the settlement service provider community in the real estate transaction.

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[1] Under the Rule, creditor is an alternate term for lender. For the purposes of this whitepaper, both terms – creditor and lender – are used interchangeably.

This whitepaper aims to address many of the operational considerations, both the well-known and the more obscure, which may be experienced in using the Loan Estimate and Closing Disclosure.

How to Assist Your Lender with the Loan Estimate

Before the Rule, settlement service providers were expected to deliver a fee quote, rate sheet, or preliminary HUD-1 for the lender to create the GFE. Often though, things changed before closing and a revised "final" GFE would be included in the loan document package. This "final" GFE often mirrored the final HUD-1. For the Loan Estimate, however, the Rule requires greater fee accuracy and sets forth timing and delivery requirements which necessitate securing accurate figures as early as possible.

Early Accuracy and Communication Are Critical

As part of TRID, the definition of application has changed and removes the consideration of "any other information deemed necessary by the loan originator" which may result in a shortened delivery time of the Loan Estimate to the borrower – and this speaks to the consumer-focused nature of the Rule. Since this "catch all" has been removed from the definition, creditors are now required to deliver the Loan Estimate upon receipt of the six items that define an application.

Items That Constitute Receipt of an Application by the Creditor

1. Property Address
2. Consumer Name
3. Consumer Social Security Number
4. Consumer Income
5. Sales Price or Estimated Property Value
6. Desired Loan Amount

Once the new definition of application is met, the Loan Estimate must be prepared and sent to the consumer within three business days. It is important to keep in mind that the definition of business day used for the issuance of the Loan Estimate is different than the way business days are applied for delivery of the Closing Disclosure. The definition of a business day to issue the Loan Estimate is any day that "the creditor is open for substantially all of their business functions." So, if the creditor is open on Saturdays and a consumer provides all information for an application on a Thursday, the Loan Estimate must be sent on or before Monday.[2]

There are two sides to this coin: the borrower gets the disclosure more quickly (which is a good thing); however, if the information provided is incomplete or changes, then the initial Loan Estimate will have deficiencies – potentially requiring re-disclosure. For instance, if a copy of the purchase agreement is not provided to the creditor, and the consumer fails to mention specifics regarding the transaction additional Loan Estimates may need to be issued.

[2] See 12 CFR §§ 1026.2(a)(6), 1026.19(f)(1)(ii)(A) and (f)(1)(iii)

In addition, close communication between the real estate agent, lender, and settlement service provider is necessary for material changes in the transaction – such as changes to the sales price or seller and buyer debits/credits – to be identified to ensure compliance.

Since the accuracy of information disclosed at application for the Loan Estimate is crucial, settlement service providers will also want to ensure that their title and closing production systems are ready for integrations to enable data exchange with the creditor. The Mortgage Industry Standards Maintenance Organization (MISMO) XML data messaging specification is gaining substantial adoption and utilization, so having a system which is able to "speak MISMO" will be very important. Fannie Mae and Freddie Mac (the GSEs) have adopted the MISMO standard as the foundation for their Uniform Closing Dataset (UCD) initiative.

Disclosing Title and Settlement Costs for the Loan Estimate

Since the Loan Estimate is intended to mirror the Closing Disclosure, title and settlement service providers must be mindful of how rates and fees are initially quoted and provided to the creditor – **accuracy is paramount**.

Rate calculators and other pricing services need to be updated in order to provide the rates required to be disclosed under the Rule[3].

Seller Paid Owner's Title Insurance

The Rule has a provision which requires the word "optional" be inserted after the words "Owner's Title Insurance" on both the Loan Estimate and Closing Disclosure. While this provision presents opportunities for the title insurance industry to educate consumers on the value and benefits of owner's title insurance, it also creates the necessity to disclose inaccurate title premiums in states where the lender's title insurance premium is reduced when purchased simultaneously with owner's title insurance. In those states (either through regulation or rate filing), owner's title insurance is priced as the full premium and lender's title insurance is priced at the reduced rate. In some states, it may also be either common practice or within the provisions of the purchase agreement for the seller to pay the cost of the owner's title insurance. In these instances, creditors may choose to:

1. not include the "optional" language; or
2. not include the owner's title premium

In areas where it is common for the seller to buy owner's title insurance, the "cash to close" disclosed on both the Loan Estimate and Closing Disclosure forms may require an adjustment, as well as the "cash from/to seller" amount on the seller's Closing Disclosure. This creates a situation where title and settlement service providers may need to issue a separate settlement statement to show consumers and regulators the fees were properly charged, in accordance with the rate filing, despite what the disclosures show, and what actual amounts are due from the buyer and due to the seller.

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[3] See "Calculation Method Required by the CFPB" on page eight.

The Purchase Contract

As soon as the purchase contract is received, a review pertaining to the payment of title insurance premiums is necessary to understand which party(ies) will be responsible for payment of the owner's title insurance premium and how this will affect the Loan Estimate and Closing Disclosure.

The contract may not detail how much is paid by the seller for the owner's title insurance premium. As mentioned in the "Calculation Method Required by the CFPB" section (below), the Rule's calculation results in the owner's title insurance premium having the reduced price which leads to ambiguity on the total amount that a seller would customarily pay for the full owner's title insurance premium amount.

Tolerance Considerations and What Is "Good Faith?"

The creditor is obligated, under the Rule, to disclose "in good faith"[4] all fees reasonably known to the creditor at the time of disclosure. Similar to the 2010 HUD-1, the Rule permits varying levels of differences in disclosure of fees between the Loan Estimate and the Closing Disclosure, now called variations. Permissible variations under the Rule are broken down into three categories:

1. **Zero Percent Tolerance** – The fee amount cannot change from what was provided on the Loan Estimate
    a. Creditor's or mortgage broker's charges for its own services
    b. Most charges for services provided by an affiliate of the creditor or mortgage broker, except for those listed in other categories listed below (such as Recording Fees [2a] and Owner's Title Insurance Premium [3a], below)
    c. Charges for which the creditor or mortgage broker does not permit the consumer to shop
    d. Transfer Taxes

2. **Ten Percent Tolerance** – The aggregate amount for fees in this category cannot change more than 10% from what was provided on the Loan Estimate
    a. Recording Fees
    b. Charges for services paid to a third party provider that is not affiliated with the creditor
    c. Charges for which the creditor or mortgage broker permits the consumer to shop for and the consumer selects a third party service provider on the creditor's written list of service providers (SSPL[5]),

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[4] Creditors are responsible for ensuring that the figures stated in the Loan Estimate are made in good faith and consistent with the best information reasonably available to the creditor at the time they are disclosed. (*12 CFR § 1026.19(e)(3); Comment 19(e)(3)(iii)-1 through -3, from TILA-RESPA Integrated Disclosure Rule Small Entity Compliance Guide*)

[5] Settlement Service Provider List. A written list the creditor provides with the Loan Estimate identifying at least one available provider for each settlement service the consumer can shop for.

3. **Tolerance Does Not Apply** – The fee amount is "unrestricted" in how much it may change from what was provided on the Loan Estimate

    a. Owner's title insurance premium
    b. Prepaid interest
    c. Property insurance premiums
    d. Amounts placed into an escrow, impound, reserve or similar account
    e. For services required by the creditor if the creditor permits the consumer to shop and the consumer selects a third-party service provider not on the creditor's written list of service providers.

    The lists shown in the tolerance categories, above, are not all-inclusive and are meant to serve as examples. The final direction regarding fee treatment within these tolerance categories will be determined by the creditor. Creditors will need to obtain actual rates from settlement service providers.

Handling the Types of Title and Settlement Fees

Title Insurance Premiums, Endorsement Fees, and Settlement Fees

Title insurance premiums, endorsement fees, and settlement fees are considered third-party services under the Rule. Title insurance premiums and endorsement fees for lender's title insurance are treated differently than those for owner's title insurance. The tolerance level that is applied to these third-party services depends on three factors: (i) whether the consumer is allowed to shop for the service, (ii) whether the selected provider is on the SSPL and (iii) whether the fee for the service is paid to the creditor or an affiliate thereof. The tolerance levels apply as follows:

1. A zero percent (0%) tolerance applies to lender's title insurance premiums, endorsement fees, and/or settlement fees if:
    a. the consumer was not permitted to shop for the third-party service, or
    b. the fee for the third-party service is paid to the creditor or an affiliate thereof.

2. A ten percent (10%) aggregate tolerance applies to lender's title insurance premiums, endorsement fees, and/or settlement fees if:
    a. the fee for the service is not paid to the creditor or an affiliate thereof, and
    b. the consumer was permitted to shop for the service, and
    c. the consumer selected a provider on the creditor's written list of service providers.

    Any individual fee may vary by more than 10% without triggering a tolerance violation provided that the aggregate difference is under the 10% threshold.

3. A tolerance requirement does not apply to lender's title insurance premiums, endorsement fees, and/or settlement fees if:
    a. the fee for the service is not paid to the creditor or an affiliate thereof, and
    b. the creditor allows the consumer to shop for the third-party service, and
    c. the consumer selects a service provider not identified on the creditor's list.

4. A tolerance requirement does not apply to owner's title insurance premiums and endorsement fees.

The creditor shall disclose title insurance premiums, endorsement fees, and settlement fees that it, in good faith, believes the consumer will pay for as follows:

1. Lender's Title Insurance: On both the Loan Estimate and the Closing Disclosure, the full premium amount of Lender's Title Insurance (as if there is no simultaneous issue rate).

2. Owner's Title Insurance: On both the Loan Estimate and the Closing Disclosure, the premium calculation prescribed by the Rule (i.e., add the full owner's title insurance premium and the simultaneous issue rate for the lender's title insurance premium, then subtract the full lender's title insurance premium amount).

3. Title Premium Adjustment (TPA)[6]: In states where the seller pays for all or a portion of the owner's title insurance premium, a TPA (a "credit" to the buyer and a "debit" to the seller) must be listed on the Closing Disclosure, to ensure the seller pays the full amount of the owner's title insurance premium and the buyer receives the benefit of the simultaneous issue on the lender's title insurance premium.

   On both the Loan Estimate and the Closing Disclosure, the TPA represents the difference between the amount disclosed as charged to the seller for the seller-paid owner's title insurance premium and the actual owner's title insurance premium charged at settlement (i.e., the "credit" concept to "sure up" the disclosed charge to seller for seller-paid owner's title insurance premium and the actual amount to be paid by the seller).

Simultaneously Issued Policies

Disclosing Simultaneously Issued Policies

The lender's title insurance (also known as a lender's title policy, mortgagee title policy, or loan title policy) and the owner's title insurance (also known as an owner's title policy) are affected by the new disclosures. In states where simultaneous issue rates apply, which is roughly half the states, a reduced rate may be given when owner's title insurance and lender's title insurance are issued simultaneously.

Calculation Method Required by the CFPB

For both the Loan Estimate and the Closing Disclosure, three values are needed to calculate the owner's title insurance premium amount required to be disclosed under the Rule:

1. Full owner's title insurance premium amount
2. Full lender's title insurance premium amount
3. Simultaneous premium for the lender's title insurance

Add the full owner's title insurance premium and the simultaneous issue rate for the lender's title insurance premium, then subtract the full lender's title insurance premium amount.

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[6] The TPA will appear within the "Summaries of Transactions" section on page three of the Closing Disclosure. The creditor may elect an alternate method of adjustment for the TPA.

Example:

Full owner's title insurance premium	$1,900.00
Simultaneous issue rate for lender's title insurance	+ $200.00
Full lender's title insurance premium	- $1,500.00
Total	**$600.00**

Amounts Disclosed on Closing Disclosure	
Lender's title insurance premium	$1,500.00
Owner's title insurance premium	$600.00

An adjustment to credit the borrower for $1,300.00 and a debit of $1,300.00 would be shown on page three to correct the borrower's cash to close and seller's proceeds.

Recording Fees

Government recording fees remain within the ten percent (10%) tolerance level under the Rule. More specifically, recording fees are included in the 10% aggregate tolerance level for third-party services.

Transfer Taxes

Transfer taxes remain within the zero percent (0%) tolerance level under the Rule. The Loan Estimate must reflect the consumer's total transfer tax exposure. The Closing Disclosure must be itemized and provide the name of the government entity that assess each component of tax imposed; i.e. state, county and/or local mortgage and deed transfer tax amounts must be reported separately on the Closing Disclosure.

Bridging the Loan Estimate and Closing Disclosure Gap

Now that you've helped the creditor in creating the Loan Estimate and the pre-closing process will soon be underway, you should obtain a copy of all versions – particularly the final one – of the Loan Estimate.

The major objective of the Loan Estimate and Closing Disclosure is to enable the consumer to compare values throughout the loan shopping and closing process. Any discrepancies should be easily identified and understood, and concerns should be addressed and documented. As always, be sure to maintain ongoing collaboration with your creditor.

- Assess and apply your previous experiences with the creditor while providing accurate fees and charges for the Loan Estimate, in order to understand what is needed in preparation for the Closing Disclosure and ultimately, the closing.

- Be aware of situations that may result in a *changed circumstance* on the transaction which may trigger a new Loan Estimate. There may have been changes applied to the Loan Estimate to which settlement service providers are not aware.

- Keep in mind that the Loan Estimate and Closing Disclosure are meant to be compared side-by-side. Obtain from the creditor the Loan Estimate version intended for tolerance comparison with the Closing Disclosure and review these disclosures in preparation for closing.

- Understand the specific Closing Disclosure delivery method and timing used by the creditor.

- Recognize and evaluate the differences and requirements between the Loan Estimate and Closing Disclosure. Always be sure to maintain ongoing collaboration and communication with your creditor.

- Secure all documentation required to be ready and able to close.

Working with the Closing Disclosure

Settlement service providers should collaborate with creditors to determine their respective Closing Disclosure preparation, delivery method and timing procedures, and other operational needs and preferences, as there are a myriad of options. Settlement service providers will be responsible for preparation and delivery of the seller's Closing Disclosure. The Rule connects the seller's Closing Disclosure to the consumer (i.e., the seller's Closing Disclosure must be delivered to both the seller and the consumer's creditor on or before the consumer's consummation date).

With regard to creditors you work with today, use this collaborative discussion to enhance these relationships and to ensure you understand these creditors' procedures and operational preferences under the Rule. With regard to new creditors that you identify in transactions, you should engage in, either at file opening or as soon as the creditor is identified, a collaborative discussion to build a new relationship and to ensure you understand that creditor's procedures and operational preferences under the Rule.

Some categories you may discuss with creditors include:

1. **Exchanging Data** – The settlement service provider will provide data to the creditor for preparation of the Loan Estimate. For the Closing Disclosure, the settlement service provider will provide updated data to the creditor. Collaborative discussions with creditors should include what method of data exchange will be used and when or what form does the creditor require the information.

2. **Preparation and Delivery of the Closing Disclosure** – In addition to exchanging data with the creditor, settlement service providers may be requested to:
    a. Prepare the Closing Disclosure;
    b. Deliver the Closing Disclosure to the consumer on behalf of the creditor; or
    c. Track evidence of delivery.

    Collaborative discussions with creditors should include whether the settlement service provider is to handle any of the above services, and, if so, what are the requirements and parameters.

3. **A La Carte Services** – The settlement service provider should be prepared to handle any component of the Closing Disclosure process. For example, one creditor may request that the settlement service provider prepare the Closing Disclosure but not deliver it, while another creditor may request that the settlement service provider deliver and track the Closing Disclosure prepared by the creditor.

Regardless of which part(s) of the Closing Disclosure process the settlement service provider is requested to provide, the settlement service provider should always:

1. Ensure title production and closing systems and other technology are integrated with creditors (or have an alternate integration plan);
2. Achieve (and remain in) compliance with ALTA Best Practices;
3. Maintain accurate transaction data; and
4. Retain file audit information throughout the life of the transaction and for at least five years thereafter.

Understanding the Specifics of the Closing Disclosure

Consummation Date

Under the Rule, the consummation date is the date the consumer becomes legally obligated to the creditor, which is defined by law in certain states. Settlement service providers should start referring to the consummation date as signing date or consummation date, instead of the closing date. In table funding states, this is likely known as the closing date, and may be referred to as a loan document signing date in escrow states – this may be different from closing or recording dates in other states. In certain states, the recording date has been traditionally referred to as the closing date, so it is important to start referring to the recording date as the recording date, and not the closing date. Page one of the Closing Disclosure lists the consummation date as the creditor's closing date.

For purposes of the Closing Disclosure, the consummation date will be provided by the creditor, but it is important that settlement service providers understand what their state law defines as the consummation date.

Delivery to Third Parties in the Transaction

Settlement service providers should be prepared to provide a copy of the Closing Disclosure and their settlement statement to real estate agents, real estate and mortgage brokers, and other third parties, since most creditors will likely not deliver the Closing Disclosure to any party other than the consumer and the settlement service provider. Certain states do require authorization from the parties involved to release any documents, so it is important to be familiar with your states' requirements.

Changed Circumstances and Revised Closing Disclosure

The expectation from the Bureau is that both the Loan Estimate and Closing Disclosure must be completed with the best information reasonably available. So, what happens if additional fees come to light after the Closing Disclosure has been prepared and sent?

There are only three changes requiring a new three business day re-disclosure waiting period before consummation. They are:

1. If the APR increases by more than 1/8 percent for fixed rate loans or 1/4 percent for adjustable rate loans
2. The loan product changes
3. A prepayment penalty is added

In all other instances, if the creditor is aware of changed information, the revised Closing Disclosure must be provided to the consumer at or before consummation. The consumer has the right to inspect the Closing Disclosure during the business day preceding consummation *if* the consumer requests the Closing Disclosure for review.

For changes that occur on or after consummation, creditors must prepare and deliver a revised Closing Disclosure to the consumer. As with other times in the transaction fulfillment process, settlement service providers should inform their creditor partners about any closing or post-closing changes immediately.

Items that may not be available to the creditor and/or settlement agent for sales transactions may include:

1. Additional documents submitted for recordation
2. One of the borrowers is in a different location and requires an additional signing service fee because the documents will be signed in two separate locations
3. Receipt of revised invoices for items such as inspection fees and home warranty fees
4. Last minute rush fees for items such as HOA Certification
5. Change in sales price that was not timely communicated by the real estate agent/principals
6. Adjustments to the sales price that were not timely communicated by the real estate agent/principals
7. "Walkthrough" inspection discoveries, such as:
    a. Damage to the property (holes in the wall, stains on the floor, etc.)
    b. Missing fixtures and appliances (light fixtures, washer/dryer, refrigerator, etc.)
    c. Inoperable appliances
8. Utility adjustments (such as for an oil tank)
9. Rent back after closing (either seller rents back after close, or buyer rents prior to close)

The need for communication between all the parties during the life of the transaction is necessary to avoid delays and/or problems at closing. Any changes must be communicated to the lender as soon as the settlement agent is advised of these changes, and this could cause the need for the additional three business day re-disclosure if buyer credits affect the loan under the ATR/QM requirements and the lender has to change the loan product.

A Separate Settlement Statement

Written authorization from the principals involved in a real estate transaction is required to disburse funds. In addition to this authorization, a separate settlement statement showing a breakdown of the actual title insurance charges may be necessary in states where title insurance premium disclosure is inconsistent with filed or promulgated title insurance rates. Since the Closing Disclosure is not designed or intended to address these two critical requirements, a corresponding settlement statement will meet that need.

Settlement service providers are currently required to provide the HUD-1 under RESPA, while creditors are required to provide the TIL under TILA. Under the Rule, the creditor is responsible for preparing and delivering the Closing Disclosure form to the consumer, although the creditor may contract with settlement service providers to perform these duties provided they comply with the Rule's requirements. Again, the creditor remains responsible for the accuracy and the delivery timelines for the Closing Disclosure regardless of who prepared and delivered it.

Since the Closing Disclosure is a **creditor**-required disclosure under the Rule, it cannot be considered an authorization to settlement service providers to release or disburse funds. While signature lines for the consumer may be included on the Closing Disclosure, the Rule includes language informing consumers that "by signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form." For this reason, a settlement statement should be the requirement of each settlement service provider.

Settlement agents typically act upon written instructions received from the principals and lender in a transaction. Typically, the sellers, real estate agents, and buyers want an accurate accounting of their transaction at closing. Under the Rule, creditors have 30 days to correct the Closing Disclosure; this could pose a problem for the parties in the transaction if they have to wait for their final accounting 30 days from closing.

In addition to post-closing considerations, the Closing Disclosure may be issued as early as seven days prior to the closing date, per delivery timeline requirements under the Rule, which may cause changes to the Closing Disclosure at disbursement. Depending on what is happening during those seven days (for example, the consumer makes another payment on her current mortgage or pays the homeowners insurance invoice in a refinance transaction or a final walkthrough results in changes or additional charges in a sale transaction), this could change the disbursements at closing and will require a revised Closing Disclosure from the creditor. Settlement service providers will have the actual final charges, including any interest adjustments based on date the transaction is completed (consummation date in some states, in other states recording/disbursement date).

Another reason for using a separate statement is due to the definition of Consummation Date (listed on the Closing Disclosure as "Closing Date"), which is defined as the date the consumer becomes contractually obligated under the loan. This date is determined by state law and currently creditors have said that if it is not defined under state law, creditors will use the date of signing (the "settlement date" under RESPA). For the purposes of the seller's Closing Disclosure, this could create additional

confusion since the closing date (consummation date) refers back to the date the consumer (borrower) signs the loan documents. In a sale transaction, the closing date typically refers to the recording date or the closing of the sales transaction, which is not necessarily the consummation date as defined in the Rule.

To provide a model form and help bring standardization to the industry, ALTA developed model Settlement Statements for title and settlement service providers to use to itemize all the fees and charges that both the homebuyer and seller must pay during the settlement process of a real estate transaction. ALTA's model Settlement Statements are not meant to replace the CFPB's Closing Disclosure.

There are four versions of the ALTA Settlement Statement:

- ALTA Settlement Statement
- Combined ALTA Settlement Statement
- Seller ALTA Settlement Statement
- Borrower/Buyer ALTA Settlement Statement Cash

The model Settlement Statements can be downloaded at www.alta.org/cfpb/documents.cfm.

Conclusions and Next Steps

As this whitepaper demonstrates, there are many aspects to operating within the coming TILA-RESPA Integrated Disclosures regulatory environment. With the October 3, 2015 effective date rapidly approaching, here are some things to keep in mind:

- Communicate with your lender and real estate agent customers to share thoughts and understand how to assist in the new transaction fulfillment process
- Contact your relevant technology provider(s) to understand their plans to enable your success after October 3, 2015
- Implement policies and procedures to address each pillar of the ALTA Best Practices

This is a major moment in real estate financial services. Being prepared for October 3 is a great marketing opportunity and way to strengthen relationships between settlement service providers and creditors.