

# **“Protect Your Closings As New TRID Rules Hit Real Estate”**

By: Mike Dupre (10/7/15)

One of the biggest and most sweeping changes ever to hit the real estate and mortgage industry kicks in on October 3rd, 2015. Are you ready?

## **New TRID Rules Bring Big Change**

According to the president of the Mortgage Bankers Association (MBA) institution of the new TILA RESPA Integrated Disclosure rule is “massive,” and “involves every real estate agent, settlement service provider, every consumer, mortgage originator, everyone.”

Some have tried to downplay the changes, and put it down a few paperwork changes, with little impact, and that everyone has been training for. For a ‘little’ change, TRID carries a pretty hefty 2,000 pages of details. In fact, the Consumer Finance Protection Bureau (CFPB) resource page contains links to over 25 other documents, forms and sheets, just to make sense of the 2 new forms, and date changes. What may signal more complications is that Michigan Investment Title notes that it was one of just three companies in its state to attend the National Settlement Summit on the changes this summer. So many may be far less prepared than the media lets on.

## **What’s Really Changing?**

The 3 most significant changes revolve around:

- Limiting what information and fees mortgage lenders can demand up-front
- 2 new disclosure forms
- New 3 day waiting period after final settlement terms are presented

On the surface these changes may seem minor, but they do carry substantial potential for disrupting closings, and causing plenty of frustration.

## **Key facts to know:**

- TRID rule implementation begins October 3rd 2015
- New forms include the Closing Disclosure and Loan Estimate
- Implementation guides and training materials can be found on the CFPB website [here](#)

Head of the MBA, David Stevens says lenders have been spending billions on overhauling their systems and new technology to be ready. Quick Loans CEO Emerson, told the Wall St. Journal they've had 350 people working on implementation for 17 months. Obviously most Realtors, mortgage professionals, and investors don't have a fraction of those resources. And consumers really have no clue about the changes. So what can you do to protect your closings and finances?

## **The Keys to Successfully Navigating TRID**

Whether you are a real estate professional, business owner, or even a buyer or seller, preserving closings is urgent. If closings fall through it not only means losing a deal or a dream home, but can be extremely expensive, result in lost relationships and credibility. That's just if the closing falls through, and doesn't even touch on the penalties for failing to comply with new rules.

Avoid these issues, keep closings on track, and stay on track to your goals by:

- Choosing a good title company partner that is on top of the new changes
- Allow more time on contracts. NAR recommends an extra 15 days, or 45 days for contract to closing
- Educating others on the new changes and where to get help