

TOP 10 Things Real Estate Agents SHOULD KNOW

About the New TILA-RESPA Integrated Disclosures (TRID)

1. A new closing statement form called the Closing Disclosure (“CD”) will be used for closings where loan applications for new mortgages were received on or after October 3, 2015!
2. Most lenders will be preparing and delivering the CD. The CD must be delivered to the buyer/consumer at least three business days prior to the scheduled closing date. Most lenders will send the CD by first class mail or email, which requires an additional three business days under the “mailbox rule.”
3. Closing agents will be required to send information to the lender approximately 10 to 14 days prior to the closing date for completion of CD to meet the three-day delivery requirement. The closing agent will need the following information from you at least 10 to 14 days before closing:
 - Commissions, including any administrative or document fees.
 - Your Florida license number, email and phone number and your broker’s Florida license number and address.
 - All costs you know your buyer will need to pay other than loan and title charges.
4. The CD sent to the buyer/consumer might not include the “seller’s side” of the transaction.
 - The closing agent (not the lender) is responsible for completing the seller’s CD and delivering it to the seller prior to or at closing. The lender may require the closing agent to prepare a separate seller’s CD.
5. The lender may not allow the closing agent to send you a copy of the borrower’s CD, in which case you will need to obtain a copy from the borrower. However, most closing agents will be preparing a separate settlement statement (not a CD) that will enable the parties to see the entire transaction. Request this at the earliest point from the closing agent.
6. Become familiar with the CD so you can respond to questions by buyer or seller, if asked.

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7. Some changes to the CD after delivery to the buyer/consumer trigger a new waiting period. If the annual percentage rate increases, the buyer changes loan products or a prepayment penalty is added to the loan, a new three-day waiting period is required. Changes and adjustments affecting the value of the property (as determined by the lender) may trigger additional disclosure and review periods under the Equal Credit Opportunity Act (“ECOA”) controlling the delivery of the appraisal. Therefore, you may want to consider two pre-settlement inspections or “walk throughs” (e.g. first inspection seven to 10 days in advance of closing and a second inspection on the day of closing.) You should ensure that the contract allows for the early walk-through.
8. The new TILA/RESPA Integrated Mortgage Disclosure rules may affect the contract terms that you help negotiate for either the buyer or the seller.
 - For example, a closing within 30 days from date of contract may no longer be realistic
 - If your contract forms contain a “set” number for days for the closing to occur, then a minimum of 15 additional days is advisable.
 - If your contract form requires you to fill in a specific date, take additional time into consideration. It’s important for you to communicate with the lender and the closing agent to determine a realistic timeframe for closings under these new rules.
9. Communicate all changes to the contract to the lender and closing agent as soon as possible. Establish the best way to communicate with both as early as possible.
10. Talk with the buyer about the need to respond immediately to lender requests and remind the seller to adhere to the terms of the contract because not doing so may delay the closing.