

ALTA Press Release

AMERICAN
LAND TITLE
ASSOCIATION

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For Immediate Release

ALTA Supports CFPB Efforts to Simplify Mortgage Disclosures

Washington, D.C., November 20, 2013 — The American Land Title Association released the following statement today on the Consumer Financial Protection Bureau's (CFPB) [final rule](#) for integrated mortgage disclosures.

The disclosures are required under the Truth in Lending Act (TILA) and Real Estate Settlement and Procedures Act (RESPA). A new Loan estimate will replace the current Good Faith Estimate and early Truth-in-Lending (TIL) disclosure, while a new Closing Disclosure will replace the HUD-1 Settlement Statement and the final TIL disclosure.

“We support the CFPB’s efforts to simplify the mortgage disclosures to help consumers better understand what they are purchasing when they are sitting at the closing table to buy a home,” said Michelle Korsmo, ALTA’s chief executive officer. “We are pleased that the CFPB has listened to industry professionals and provided an appropriate timeframe for implementation of this important rule. We applaud the CFPB for listening to our members and eliminating the ‘All In’ APR as it would not help consumers shop for a mortgage and could limit their settlement choices. Additionally, we appreciate the CFPB limiting possible closing delays after hearing concerns from industry regarding the three-day rule. Limiting the instances of delays in real estate transactions will help to ensure a positive experience for the consumer at the closing table. While the Bureau’s integrated forms make improvements in the way they provide information to the consumer, they fall short in their disclosure of title-related fees to consumers. Telling a consumer that owner’s title insurance is ‘optional’ will mean that home buyers may be dissuaded from purchasing the same protection that lenders receive from a title insurance policy.”

“ALTA has worked with the CFPB for nearly three years to assist in simplifying mortgage disclosures for consumers. Implementation of this regulation will cost small businesses in every community thousands of dollars in software upgrades, training and business integration. We hope that these new forms make the home buying process more transparent and provide a better experience throughout the real estate transaction. In the coming weeks, ALTA will work with the CFPB to develop education and training for implementation and compliance for the industry. We encourage all ALTA members to visit our blog at <http://blog.alta.org> for more information about this regulation.”

For more information, please visit www.alta.org.

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About ALTA

The American Land Title Association, founded in 1907, is a national trade association representing nearly 4,800 title insurance companies, title agents, independent abstractors, title searchers, and attorneys. ALTA members conduct title searches, examinations, closings, and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.