

ALTA Press Release

AMERICAN
LAND TITLE
ASSOCIATION

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For Immediate Release

CFPB Misses the Mark on TRID Guidance (Again)

Washington, D.C., June 3, 2015 — The [American Land Title Association](#) (ALTA), the national trade association of the land title insurance industry, released the following statement in response to Consumer Financial Protection Bureau (CFPB) Director Richard Cordray's [announcement](#) of sensitivity to those companies making a good-faith effort to comply with the 1,888 pages of TILA-RESPA Integrated Disclosure (TRID) regulation:

"ALTA members were looking to the Bureau to announce a specific hold-harmless period for those working to comply in good-faith with the new mortgage disclosures," said Michelle Korsmo, ALTA's chief executive officer. "We appreciate the Bureau addressing the challenges with compliance with the new integrated mortgage disclosures once we are in live transactions. Unfortunately, today's blog post from the CFPB does not give mortgage lenders or settlement service providers any more certainty as they work to comply with this complex regulation that will affect millions of homebuyers in the United States."

"ALTA and its members wish to continue our discussions with Director Cordray as we request that the Bureau continue to publish more clarifications on this massive regulation," Korsmo added. "Because of the CFPB's ambiguity, ALTA encourages Congress to pass H.R. 2213 sponsored by Congressmen Pearce (R-NM) and Sherman (D-CA) and that would mandate a definitive hold-harmless period."

"We know from previous regulation implementations that there will be a learning curve, and a hold-harmless period will help ensure that consumers' real estate closings will not be disrupted after August 1," Korsmo stated. "Under TRID, some mortgage lenders and settlement service providers may initiate additional risk-management tactics that will slow the closing process for homebuyers. Access to financing and settlement services in small communities could be more restricted."

"To suggest that real estate closings will not be delayed under TRID is looking at this 1,888 page regulation through rose colored glasses" said Korsmo. "ALTA members are doing their best to prepare for implementation but the uncertainty caused by this rule could result in delays in real estate closings. In today's announcement, there's no guarantee that homebuyers won't experience a longer time period between when they apply for their mortgage and when they actually sit down at the closing table. By failing to provide clear guidance on how to comply with the regulation, the CFPB infuses uncertainty and chaos in the marketplace, which will ultimately undermine the bureau's goal of helping educate consumers about their mortgage transaction."

ALTA President Diane Evans NTP met with Director Cordray on May 13 to formally request a hold-harmless period following TRID implementation on August 1. On May 20th, ALTA members met with more than 220 members of Congress or their staff to request the hold-harmless period. Additionally, the [Title Action Network](#), ALTA's 11,000 member advocacy organization, has sent hundreds of emails to

members of Congress requesting time for the industry to address possible issues during implementation.

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About ALTA

The [American Land Title Association](#), founded in 1907, is the national trade association representing nearly 5,400 title insurance companies, title and settlement agents, independent abstracters, title searchers and real estate attorneys. With offices throughout the United States, 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.

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