



HEAR THE TRAIN A'COMIN' ... IT'S ROLLING ROUND THE BEND

**CFPB DIRECTOR SIGNALS A "HOLD HARMLESS" PERIOD -
HOW REALTORS CAN HELP - AND MORE!**

East Texas Title Companies—TRID Train Newsletter—Issue 15

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CFPB Director Cordray Signals "Hold Harmless" Period for TRID Compliance

Yesterday, CFPB Director Richard Cordray once again testified before the House Financial Services Committee. During his testimony, he reiterated earlier comments that the CFPB's TRID enforcement for "some period of months" after October 3 will be "diagnostic and corrective and not punitive", indicating there will be an informal grace period for compliance. Cordray added that "there will be time for [financial institutions] to work to get it right and not have to be perfect on the first day," but he didn't provide specifics on how many months.

This is good news for lenders, since the new rules carry substantial new administrative and legal liabilities. This informal grace period will allow lenders to test and train on new software without fear of regulatory repercussion.

For more info on the challenges faced by lenders, read this memo from the American Bankers Association, which outlines their concerns about late delivery of software, little or no time to test and train, and the lack of clarity because the regulations are so complex.

What Realtors Can Do to Help

I wanted to take a moment to reiterate a few areas where realtors can help smooth this process for everyone.

- Extend contracts by around 15 days in anticipation of delays in some home closings
- Make sure both buyer and seller know that some changes to the closing terms—such as changing from a fixed-rate mortgage to one with an adjustable rate—cause the three-day period to reset
- Since home transactions often are made together, as home buyers sell their old homes, a delay in one home closing can cause a ripple effect
- Communicate any changes related to the loan or the deal immediately to both the lender and the title company, even if you're not sure it will affect TRID

For more ways realtors can assist, please see our [TRID Train Newsletter #10 - KEEPING THE TRID TRAIN ON SCHEDULE: SIX THINGS REALTORS CAN DO TO HELP](#).

And finally, we have been meeting with both lenders and realtors, providing information to help you understand specifically how TRID will affect your transactions. If you haven't scheduled a consultation and would like to do so, please contact me.

What Realtors are Saying: "Thank you...It was a great day with lots of great information..." "Great information! Change... it's a comin! Thanks East Texas Title...One step closer to being prepared, I love this about our company - we want to know the latest in our industry and the best way to provide the most accurate and dependable information to our clients!" "A big thanks to Celia Flowers and Michelle Massey Miller of East Texas Title for hosting a lunch and learn. And boy is there a lot to learn!!" "Thanks to Celia Flowers for a great class with lots of information about changes in our industry."

As always, East Texas Title Companies is Committed to Community – and that means you! So let us know what we can do to help your business.

Best regards,



Stay on Track with East Texas Title Companies!