



May 7, 2015 News for Settlement Agents doing business with Freedom Mortgage

Freedom Mortgage Corporation is preparing for the CFPB's new rule combining the TILA and RESPA mortgage disclosures which is effective on August 1, 2015. There may be questions regarding the new rule and how our process will be designed to comply with these requirements – particularly around the new Closing Disclosure.

Over the remaining year, we will use this form of communication to provide you with answers to these questions and other information that will help guide you through the process changes.

- Who will prepare the Closing Disclosure?
- Who will deliver the Closing Disclosure?
- How will processes change in order to deliver the Closing Disclosure to the customer for receipt at least three business days prior to closing?

Let's start with determining the content for the Closing Disclosure. Freedom Mortgage will work closely with you to jointly determine the fees and other content required on the Closing Disclosure form. How and when to collaborate on this content leads to significant process improvements.

This collaboration must take place much earlier in the process to meet the timing requirements of the rule and to avoid rush closings that are so common today. To enable a common exchange and collaboration of documents, data, and information between the settlement agent and Freedom Mortgage, we will be using Closing Insight™, an industry tool developed by RealEC® Technologies, a division of Black Knight Financial Services. There will be no cost to the settlement agent for using this service. Other delivery methods, such as email and fax, will no longer be used to ensure non-public, personal information will always be secure. Settlement agents are encouraged to sign up for Closing Insight by visiting their site – www.closinginsight.com. Freedom Mortgage will provide additional communications about training next month.

Next, who will prepare and deliver the Closing Disclosure. After working with the settlement agent and confirming that all content and fees are accurate and complete, Freedom Mortgage will generate the borrower's Closing Disclosure and will be responsible for delivering the form to the borrower(s) to ensure receipt at least three business days prior to closing. For purchase transactions, the settlement agent will continue to deliver the seller's Closing Disclosure and provide a copy to Freedom Mortgage.

Conducting the closing. This will continue to be the responsibility of the settlement agent, but with increasing focus on our closing instructions. As expectations on lenders increases so does that of third party providers.

Let's continue to work together to meet our customer's needs. We support the customer's choice for their title and settlement service provider as long as that choice enables us to consistently meet all applicable requirements. It is essential for you to understand the expectations of the regulations and of Freedom Mortgage so we can consistently deliver high levels of quality and service to our customers.