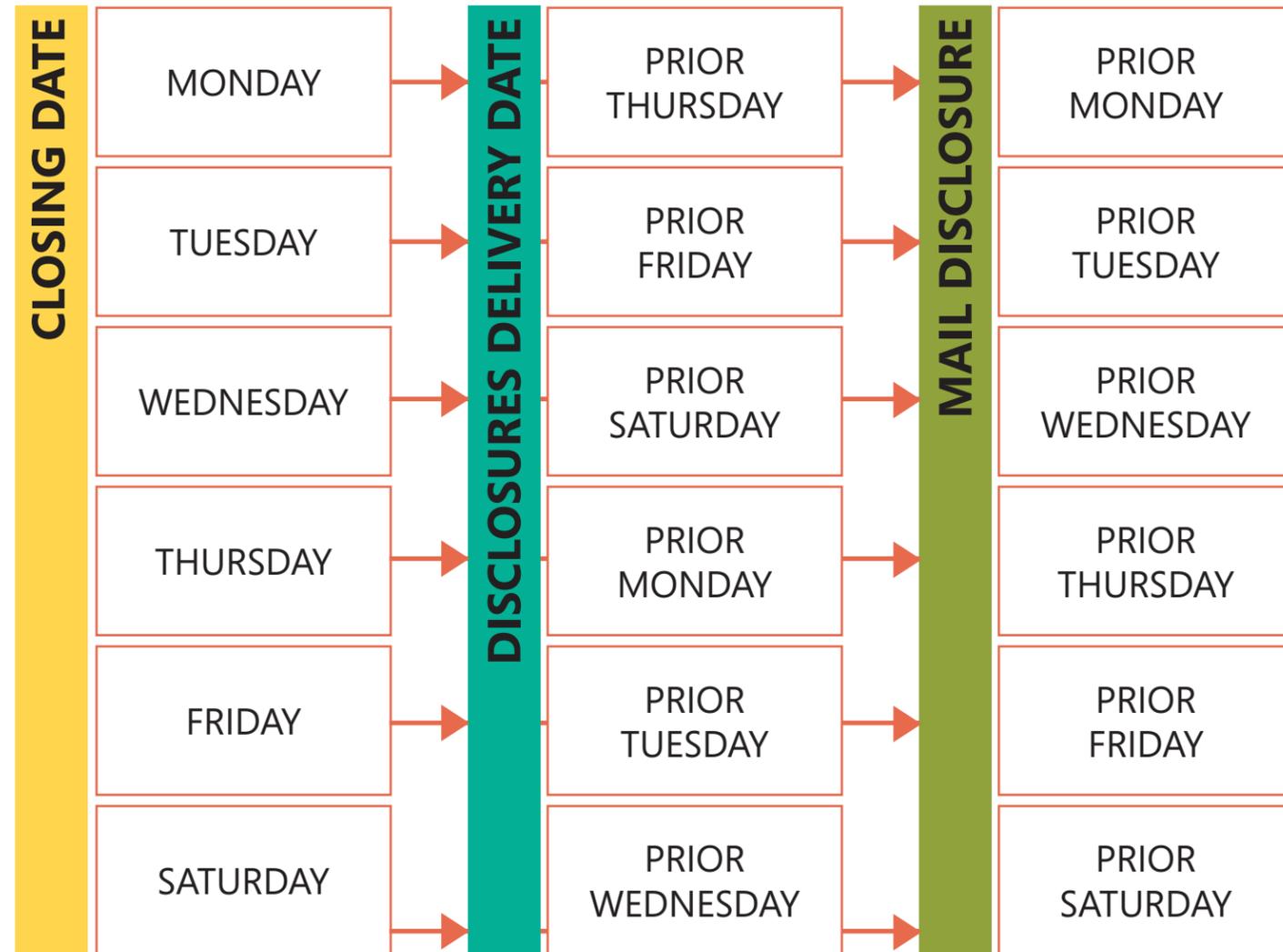


# 3-DAY CLOSING DISCLOSURE RULE

Under the new CFPB regulations, the borrower must "receive" a copy of the Closing Disclosure at least three (3) business days prior to the closing. The Closing Disclosure is presumed to have been received three (3) business days after it is placed in the mail or sent via email. Business days are defined as all calendar days except Sundays and certain federal holidays.



## REAL ESTATE TRANSACTION & CLOSING PROCESS OVERVIEW

- If a federal holiday falls in the three-day period, add a day for disclosure delivery.
- The three-day period is measured by days, not hours. Thus, disclosures must be delivered three days before closing, and not 72 hours prior to closing
- Disclosures may also be delivered electronically on the disclosures due date in compliance with E-sign requirements.

Source: [www.alta.org/cfpb](http://www.alta.org/cfpb)



[www.Republic Title.com](http://www.Republic Title.com)

We hope the general information provided is helpful. For more information, please visit: <http://www.consumerfinance.gov/regulatory-implementation/tila-respa/>



# CONTRACT

|              | LENDER/CREDITOR   | TITLE COMPANY   | BUYER & REALTOR  | SELLER & REALTOR   |
|--------------|---|---|--|--|
| DAYS 1-3     |   |   | Option Fee is paid to Seller, if applicable; delivers signed contract with execution date and Earnest Money to Title Company |  |
| DAYS 2-7     | Loan Application process begins: verifies Buyer's assets, liabilities, income/ job stability and credit history   | Receipts contract and Earnest Money; opens file, orders taxes, and begins title work production; orders HOA documents (if applicable)   | Buyer or REALTOR® provides copy of receipted contract to Lender/ Creditor to proceed with loan application                   | Seller provides payoff info, HOA info, and existing survey with affidavit (if applicable) to Title Company |
| DAYS 3-10    | Requests Title Company fees to issue Loan Estimate to Buyer within 3 business days of loan application  |   | Orders Inspections (General and Termite, etc.)   |  |
| DAYS 4-15    | Orders, receives, and reviews appraisal; packages and submits to Underwriter; conditions added by Underwriter   | Abstractor does title search; Examiner examines title report; prepares Title Commitment   | Buyer selects home warranty and obtains homeowner's insurance  |  |
|              |   | Closer reviews Title Commitment and notifies REALTORS® and Seller of any title defects; issues Title Commitment to Buyer, REALTORS®, and Lender/ Creditor for review and acceptance | Realtor review Survey and Commitment with Buyer  |  |
| DAYS 5-20    | Collects and packages conditions requested by Underwriter, including Title Commitment; packages and submits to Underwriter  | Reviews Seller's existing survey and affidavit, if applicable or Orders survey per contract instructions and provides copy of survey to Buyer, REALTOR®, and Lender/ Creditor       |  |  |
|              |   | Provides HOA documents to Buyer and REALTORS® when received (if applicable)   |  |  |
| DAYS 6-25    | Approves Buyer's loan   | Collaborates with Lender/Creditor on Buyer's Closing Disclosure; prepares other closing documents, if applicable  |  |  |
|              | Collaborates with Title Company on Buyer's Closing Disclosure   |   |  |  |
| DAYS 7-30    | Delivers initial Buyer's Closing Disclosure to Buyer for review at least 3 business days prior to closing; prepares and delivers closing instructions, loan documents, and funds to Title Company | Provides Seller's Closing Disclosure to Seller for review   |  |  |
|              |   | Receives closing instructions, loan documents, and funds from Lender/ Creditor; confirms closing date and time (for closing after Buyer's Closing Disclosure review period)         |  |  |
|              | Closing: Both Buyer and Seller must provide proper ID; Buyer must bring "good funds" i.e. wire transfer or cashier's check payable to Title Company   |   |  |  |
| DAYS 10-35   |   | Submits final, signed closing documents to Lender/Creditor for funding review & approval  |  |  |
|              | Reviews final, signed closing documents submitted by Title Company; provides funding authorization to Title Company   |   |  |  |
|              | Funding: payments to seller and 3rd parties, e.g. surveyor, REALTORS®, insurance company, etc. - and possession of property (or temporary lease back per contract instructions)                   |   |  |  |
| POST CLOSING |   | Returns original closing documents to Lender/ Creditor; records legal documents through the County Clerk's office   |  |  |
|              |   | Prepares and issues Owner's and Lender's Title Policies to Buyer and Lender/ Creditor   |  |  |

