



Wells Fargo

## Settlement Agent Communications

News for Wells Fargo Settlement Agents

June 2, 2016

### Communication is the key!

The first half of 2016 has presented our Wells Fargo teams with many opportunities to meet title and settlement professionals at various industry events across the country - including agent conferences, state and national trade association conferences, and local Wells Fargo sponsored meetings. The face to face interaction at these events provides us with a valuable two-way exchange of feedback on processes that are working well, things that still need improvement and ideas to resolve common challenges. Thank you for these important communication opportunities and for your time to review the information provided in this newsletter.

### "Know Before You Owe" update

As the nine-month anniversary of the implementation of the TILA-RESPA Integrated Disclosure Rule approaches, Wells Fargo would again like to express appreciation for the efforts you have made to learn the new processes so that customers "know before they owe."

From feedback, we know that you face challenges with meeting the many different requirements from all the lenders for which you close loans. We understand that inconsistency makes your jobs more difficult and we thank you for working to adhere to Wells Fargo's closing instructions. We are also aware that the frequency of rush closing disclosure (CD) information requests is high and will continue to work together to communicate more proactively to reduce these rush requests.

Our customers report that they are pleased to see their closing numbers with more lead time to review the information and ask questions as needed. They don't spend any time thinking about the regulatory requirements we must follow – they simply want to move into their new home or close on their refinance.

Based on information from our closed loan reviews, there are still several key reminders that we must repeat:

- The CD that the borrower receives and signs must be the Wells Fargo provided and approved borrower CD on all Wells Fargo transactions – **do not** provide your own CD to borrowers or alter the Wells Fargo provided borrower CD under any circumstances.
- Loan documents may not be signed earlier than the signing date authorized by your Wells Fargo closer. Communicate any requests for changes in the planned signing date to your Wells Fargo closer and do not proceed unless you have received authorization from Wells Fargo to do so.
- Communicate any known changes that impact transaction details or the borrower CD. Any change known before loan document signing must be communicated to the Wells Fargo closer. Any changes impacting the borrower CD that are detected post-closing **must be communicated to [SAPostClosingCommunications@wellsfargo.com](mailto:SAPostClosingCommunications@wellsfargo.com)**.
- Create and provide a seller CD on all Wells Fargo purchase transactions, and provide a copy to Wells Fargo with the closed loan documents.

Failing to comply with these important requirements could quickly impact your eligibility to close future Wells Fargo loans. If you are not certain that your internal processes and practices are aligned with

these requirements for any Wells Fargo loan you close, we encourage you to verify and amend your processes if necessary.

### **Increased use of Closing Insight® is coming soon**

In our March newsletter edition we communicated that expectations for use of Closing Insight on Wells Fargo transactions would increase throughout 2016. If you are already using Closing Insight – thank you and don't stop! Based on results and what we learned from two Closing Insight labs conducted earlier this year, Wells Fargo and RealEC® Technologies have been working together to develop updated training materials, tools and support for increased use of Closing Insight across all Wells Fargo teams nationwide. The materials include the launch of a resource center website that houses updated FAQs, training videos, helpful documents, user guides and many more helpful training tools which can be found at [www.closinginsightresourcecenter.com](http://www.closinginsightresourcecenter.com). These continued efforts will occur in a phased rollout that begins in mid-June and will continue through the remainder of 2016.

What will this mean when you close Wells Fargo loans? As updated training is delivered across the country, you will begin to receive a transaction-level "222" message via Closing Insight letting you know that your Wells Fargo closer is ready for you to provide fee and closing information needed for our borrower CD preparation. Your participation with the tool will be critical, and RealEC support will be engaged to assist you as needed. Wells Fargo teams will have specific goals for use of Closing Insight. Progress will be continuously measured, including information on settlement companies who are willing and able to help us meet Closing Insight utilization goals.

We appreciate your support and partnership as we continue to move forward to make Closing Insight the standard for interaction with Wells Fargo closers to exchange fees, status and other information needed for the borrower CD and closing preparation. For more information regarding registration, training and RealEC support, visit RealEC's Closing Insight Resource Center website at [www.closinginsightresourcecenter.com](http://www.closinginsightresourcecenter.com) or contact them at [ClSupport@realec.com](mailto:ClSupport@realec.com) or 800-893-3241. If you have multiple locations please be sure that they are all accurately registered.

### **Master Closing Instructions acknowledgement**

Wells Fargo's Master Closing Instructions were rewritten and reorganized in 2013 to make them easier to use and understand. Since that time, these instructions are provided and applicable to every Wells Fargo loan closing. It has become increasingly important for settlement agents closing our loans to understand and comply with the lender instructions.

Since 2015, acknowledgment of these Master Closing Instructions has been a requirement prior to approval of any new settlement agent. Work is now in progress to also obtain this same Master Closing Instructions acknowledgment from a senior management contact for all active and approved settlement companies. The acknowledgment process is very easy to execute. Your company will receive an acknowledgment request via email, including instructions for execution of a simple e-sign acknowledgment form. The acknowledgment must be executed by a person in an appropriate senior leadership role within the company. The instructional email asks the recipient to forward the request to that person if needed, and includes information on how to contact us with any questions you may have.

Beginning in August, emails requesting the Master Closing Instructions acknowledgment will be sent out in waves over the next several months. Thank you in advance for your prompt attention to the acknowledgment request when it arrives.

### **Performance report thresholds updated June 1**

For those settlement agents who receive Wells Fargo performance reports, performance thresholds for receipt of the recorded mortgage and receipt of the final title policy are being revised. Effective with June performance results, performance reports will reflect "green" if on time delivery is at or above 90%, "yellow" if on time delivery is between 60-89%, and "red" if on time delivery is below 60%. If you have

questions on this change please ask your Wells Fargo performance management contact or write to us at [WellsFargoSettlementAgentCommunications@wellsfargo.com](mailto:WellsFargoSettlementAgentCommunications@wellsfargo.com).

### **yourFirst Mortgage<sup>SM</sup> closings**

You may have seen some recent media announcements about Wells Fargo's new proprietary offering, **yourFirst Mortgage**. Loan applications are now being accepted – which means that loan closings for **yourFirst Mortgage** will soon follow.

Even though this new home loan program includes several unique features for customers, there are no unique loan closing requirements. **yourFirst Mortgage** is an expansion of our standard Agency guidelines, so loan closings will follow the same processes as other first mortgages originated by Wells Fargo – including applicability of all existing Master Closing Instructions.

If you have questions, ask your local Wells Fargo contacts or write to us at the mailbox address below. If you missed the announcement, see the press release at the following link:  
[https://www.wellsfargo.com/about/press/2016/yourfirst-mortgage-launch\\_0526.content](https://www.wellsfargo.com/about/press/2016/yourfirst-mortgage-launch_0526.content)

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[WellsFargoSettlementAgentCommunications@wellsfargo.com](mailto:WellsFargoSettlementAgentCommunications@wellsfargo.com)

Regards,

Wells Fargo & Company