

April 20, 2016

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The Honorable Randy Neugebauer
Chairman
House Subcommittee on Financial
Institutions and Consumer Credit
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Blaine Luetkemeyer
Chairman
House Subcommittee on Housing and
Insurance
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Neugebauer and Chairman Luetkemeyer:

On behalf of the over 1.1 million members of the National Association of REALTORS® (NAR), I am happy to respond to your letter of March 24, 2016 regarding the implementation of the Consumer Financial Protection Bureau's (CFPB) TILA-RESPA Integrated Disclosure (TRID) forms. Thank you for this opportunity and for your ongoing efforts to monitor this issue.

In advance of implementation, NAR was well aware of potential issues. The Association has worked hard to educate REALTORS® on how best to ensure that home purchases avoid delays, including negotiating extended closing dates and being proactive as a trusted advisor in helping consumers navigate their home purchase as part of the new process. A busy buying and selling season has begun and volumes are expected to rise in the weeks and months ahead as the spring market peaks. While NAR has only received minimal reports of customer issues thus far, industry reports of the unwillingness of mortgage investors to purchase loans with potential TRID inaccuracies is concerning. According to the lending industry, further written clarification will help alleviate these issues.

The issue most often cited as problematic by REALTORS® is the inability to obtain a copy of the Closing Disclosure (CD) from lenders and closing agents, even with a signed consent form by their clients. Some lenders and closing agents have indicated that privacy rules prevent them from sharing the CD with real estate agents. Prior to implementation of the TRID rule, the HUD-1 form contained information that included terms agreed to in the sales contract including concessions, escrows, commissions, and shares of prorated taxes. This form was routinely shared with agents in nearly ALL transactions. With implementation of the TRID rule, this information is now included on the CD and real estate agents are having difficulties obtaining a copy. In a recent survey, 54.5 percent of REALTORS® indicated that they had problems getting the CD for transactions, and half found errors when they did receive a copy. When REALTORS® did get access to CDs, they frequently found missing concessions and incorrect names or addresses, but incorrect fees, commissions, and taxes were also reported.

NAR continues to work with our industry partners and the CFPB to obtain additional written clarity around this issue to ensure an orderly resolution.

REALTORS® thank you for your diligent work on behalf of our industry and consumers. Please feel free to contact Jerry Giovaniello, Senior Vice President of Government Affairs, at (202) 383-1115 or JGiovaniello@REALTORS.org if you require any additional information.

Sincerely,



Tom Salomone
2016 President, National Association of REALTORS®

