



Wells Fargo

## Settlement Agent Communications

News for Wells Fargo Settlement Agents

September 21, 2018

### Fall is here!

Signs that summer is over may not be visible from the weather, depending on where you live, but the calendar can't be ignored – fall has arrived. Purchase transactions continue to keep things exciting as we work together to help customers who may be buying their first home, a bigger home, their dream home or their retirement home. Thank you for what you do to make the closing a good experience for our mutual customers. For readers who will be attending the ALTA One Conference, please say hello to the Wells Fargo team members who will be there to meet you and thank you in person!

### Secure email reminder

Wire fraud has impacted many who are involved throughout the home lending process. Over the past year we have taken additional steps to ensure our customers and team members are aware of this threat, just as you have been doing. Fortunately, many attempts targeting our customers have been prevented because these communication and education campaigns across the industry are working to arm many customers with information on how to protect themselves from becoming the next wire fraud victim. This is good, but there is more we need to do – including the proper use of secure email.

As a reminder, Wells Fargo Master Closing Instructions require that data privacy is to be protected at all times, including the use of encryption software for all electronic exchanges of confidential customer information. If your business has not yet implemented a secure email solution, or if you are not sure if your email solution is secure, we strongly suggest that you take action. ALTA Best Practices also address information security; information and education is available at [alta.org/infosec](http://alta.org/infosec).

It is also important to keep your eLynx eCN registration information up to date for use to validate company information including physical and email addresses. Use the following link to make updates <https://secure.elynx.net/ecn/r> or for assistance contact eLending Technical Support at 800-905-0939 or [eLendingSupport@bkfs.com](mailto:eLendingSupport@bkfs.com). Please note that Wells Fargo closing teams are required to use approved EDD processes to deliver all closing packages to settlement agents.

We all must remain diligent to prevent fraud. Watch for ongoing communication on these topics in future newsletters.

### Implementation of updates to the TILA-RESPA Integrated Disclosure Rule

2018 amendments to the TILA-RESPA Integrated Disclosure Rule were intended to formalize guidance in the rule, and provide greater clarity and certainty. Rather than a required simultaneous implementation date, lenders were allowed flexibility on timing, so long as implementation occurs no later than October 1, 2018. Wells Fargo opted to implement applicable changes in several phases, ending in September. These changes impacted our internal systems and processes only, and have no impact on the closing instructions or process expectations already applicable for Wells Fargo loan closings. Please continue to follow existing requirements as communicated through the Master Closing Instructions and Transactional Loan Closing Instructions provided for each loan closing.

The purpose of the borrower Closing Disclosure has not changed: to make the customer aware of required information about their loan transaction before their loan documents are signed, using the best information available. Even though it has now been almost three years since the initial implementation of *Know Before You Owe* changes, we still experience examples of changes that are known, but not

communicated to Wells Fargo as the lender. The importance of prompt communication of known changes has not diminished. If you become aware of changes that impact the transaction or content of the borrower Closing Disclosure, it is critical that you notify the Wells Fargo closing contact as soon as possible; do not wait until after loan documents are signed.

### **Final documents address reminder**

The correct address for delivery of final, signed loan documents after closing is:

Wells Fargo  
Attn: Post Closing MAC X9999-01H  
2701 Wells Fargo Way  
Minneapolis MN 55467-8000

This address prints in the Transactional Loan Closing Instructions for every Wells Fargo closing. However, even though this address has not recently changed there are still many closed loan packages that are shipped to an outdated address each day – possibly because your system or procedures may contain an outdated Wells Fargo address.

Please take a moment to verify that your teams who ship closed Wells Fargo loan packages are using the current, correct address – including MAC X9999-01H. Thank you very much for making this correction where needed.

### **State specific information – California**

The Building Homes and Jobs Act or California Senate Bill 2 (SB2) which became effective January 1, 2018, exempts transactions that include a deed transfer on the purchase of a primary residence, or a refinance with a deed transfer, from the additional fee(s) due at the time of recording.

Closed loan reviews have revealed examples where the maximum SB2 fee amount is being collected and later refunded for transactions that should have been exempt from this fee. If your company is routinely collecting the SB2 fees on exempt transactions and then refunding when the final disbursement occurs, please note that this is not an acceptable practice for Wells Fargo loans. The SB2 fee should only be collected at closing when it is applicable for that transaction.

You may not be aware that this is occurring. Please assist to ensure fee accuracy by reviewing your internal practices to confirm that the SB2 fee is not being charged on exempt transactions.

Thank you for your time to review this important information. Please share this with your staff and management teams. To request copies of any past newsletter editions, subscribe to future editions, or to provide suggestions, questions and comments please write to us at:

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

Regards,

Wells Fargo & Company