



**CLOSINGCORP INC.**  
7817 IVANHOE AVENUE, SUITE 302, LA JOLLA, CA 92037  
858-551-1500 • 858-551-1550 FAX

Steve Cook  
202 257.3652  
[stevekcook@aol.com](mailto:stevekcook@aol.com)

Contact: Kristin Ewald  
858.551.1500  
[kewald@closing.com](mailto:kewald@closing.com)

## **Internet Use Drives eClosing and Uniform Closing Instructions**

ClosingCorp CEO, Tony Farwell, Addresses Mortgage Bankers Association

*Las Vegas—March 17—*Uniform instructions for real estate closing services that mandate standardized procedures among disparate service providers and create the potential for a pre-Good Faith Estimate will lay the foundation for a consumer-friendly electronic marketplace that will transform real estate closings, Tony Farwell, the CEO of [ClosingCorp](#) said today at the Tech 09 conference sponsored by the Mortgage Bankers Association of America.

Farwell said most lenders, settlement services providers and other closing service providers are not yet built to leverage the Internet. Their business processes, their approvals, their hierarchies, the number of people involved in the process flow ... all that is wrong for running an e-business. “eClosing is about rebuilding the closing process...and the organization from the ground up,” he said.

The convergence of a number of factors is hastening the standardization of real estate closing service instructions and the adoption of electronic closing services, he said. These include the widespread use of the Internet by real estate consumers, a larger proportion of Internet-savvy younger home buyers, the near-universal adoption of Internet technology by real estate agents and changes in Federal regulations governing real estate settlement procedures that mandate more accurate “good faith estimates” while encouraging consumers to shop for [closing services](#).

Currently consumers tend to participate minimally in the closing services

process. With the exception of selection and qualification for a mortgage, consumers tend to be removed from the selection of closing service providers. But that is changing as X-Gen and Y-Gen buyers become more active in the real estate market.

A new paradigm is emerging in which electronic access to information from closing providers will facilitate consumer involvement in selecting closing services and introduce a new degree of transparency to the entire process. Real estate professionals also will make extensive use of information in the eClosing environment to better serve their clients, Farwell said.

The Mortgage Bankers Association (MBA), American Land Title Association (ALTA) and The American Escrow Association (AEA) are finalizing standards for Uniform Closing Instructions that are critical for laying the foundation for eMortgages, and eClosings. This will further empower consumers in the selection of closing services and bring these service providers closer to their customers while helping drive down mortgage and settlement processing costs. Playing a key role in all of this is the MBA's offshoot, MERS (Mortgage Electronic Registry Systems), which allows lenders to register eNotes, facilitating pooling and assignments.

Reform of the Real Estate Procedures Settlement Act by HUD late last year will require that "good faith estimates" from lenders meet certain accuracy tolerances based on the final HUD-1 Settlement. Uniform Closing Instructions take the concept a step further by calling for vendors to provide closing cost estimates earlier in the process, laying the foundation for a consumer-friendly electronic marketplace that will transform closing services, Farwell said.

### **About ClosingCorp**

ClosingCorp's mission is to be the leading online destination for consumers and professionals to shop for real estate closing services [Closing.com](http://Closing.com). The Company also provides lenders, mortgage brokers, and other real estate professionals with services that allow them to instantly create preliminary closing cost estimates as well as Good Faith Estimates. ClosingCorp, headquartered in San Diego, California, is an independent data provider that neither owns nor endorses any of the real estate services listed on its family of Web sites.

###

