

Simplifying the Closing Process

For years, the closing process has been costly for lenders and a source of anxiety for borrowers. But that has now changed. After extensive research, Wolters Kluwer Financial Services has created an innovative U.S. patent-pending approach to the creation and delivery of today's uniform real estate security instruments. The Wolters Kluwer Financial Services Simplified Mortgage™ helps lenders and borrowers make the closing process for mortgage and home equity loans quicker, easier and more affordable.

The compliance solution eliminates about 80 percent of the recordable mortgage or deed of trust paper, resulting in greater clarity and convenience for the borrower and substantial recording fee savings from every transaction.

Finally, a Leap Forward in Mortgage Closing

There have been attempts in the past to reduce the size of the mortgage document the borrower signs. The "Master Mortgage" concept basically kept a pre-recorded document on file at the county, and then borrowers signed a certificate that became part of that document. But that meant significant logistical issues with counties and an unworkable implementation expense for lenders. A better answer had to be found.

Wolters Kluwer Financial Services' compliance experts examined the standard Fannie Mae/Freddie Mac mortgage forms and matched them against every recording jurisdiction's requirements across the United States. They found that the standard mortgage and deed of trust could be redesigned and reduced from the current average fifteen pages down to just three pages of information and meet recording requirements of all 51 U.S. jurisdictions. The real estate security instrument was broken into two content pieces: a three to four page recordable instrument and a non-recordable security instrument supplement that outlines a loan's standard covenants between the lender and the borrower. This was the breakthrough the industry needed to make the Wolters Kluwer Financial Services Simplified Mortgage™ a reality for the benefit of borrowers, lenders, and investors.

An Improved Borrower Experience

This compliance solution removes a significant amount of borrower confusion. The recordable document contains the minimum information required to create and record a valid lien on the property. The three page mortgage or deed of trust is easy for settlement agents to explain and borrowers to understand before signing. Additional information the borrower needs to know about

the mortgage or deed of trust is put into a supplement the borrower can examine at their leisure, prior to the closing. This supplement gives borrowers the time to read, understand and agree to the loan's covenants related to the property before reaching the closing table. The documents are built using plain language and a page layout and font size to enhance readability leading to improved borrower understanding of the documents as well as a far smoother and faster closing.

The Benefits of the U.S. Patent-Pending Wolters Kluwer Financial Services Simplified Mortgage™

- Improved borrower experience through better education, straightforward documents and an easier experience at signing.
- Tremendous cost savings, with immediate pick-up of about \$36 per loan and shortened closing processes.
- Overall simplicity, with a single document for multiple uses.
- Competitive advantages for lenders who can reduce recording fees, better the experience for borrowers, and save thousands of dollars in hard costs and hidden expenses.

Easy to Implement and Integrate into Lender Systems

Implementing the Wolters Kluwer Financial Services Simplified Mortgage™ is easy. Lenders simply replace the standard mortgage with the simplified recordable document and the mortgage supplement or give the borrower the mortgage supplement before closing so that they can read it in advance. The Wolters Kluwer Financial Services team can help integrate this electronic document solution into most lending platforms.

This innovation will revolutionize the mortgage industry for the benefit of consumers, brokers, lenders, and investors. Learn more about why the Wolters Kluwer Financial Services Simplified Mortgage™ should be a part of your future. Call us at 1-800-552-9410, or visit our web site at www.WoltersKluwerFS.com/simplified.

About Wolters Kluwer Financial Services

Wolters Kluwer Financial Services is a leading provider of regulatory compliance solutions and services for banking, securities, and insurance—focused on helping meet your business objectives. To learn more, please visit www.WoltersKluwerFS.com.

