THOMAS
Title & Escrow

HOMESELLER GUIDE

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Quick **REFERENCE**

Escrow #	
New Address	
City/State/Zip	

Complete the following information as it becomes available.
IMPORTANT: Do not cancel your home insurance or disconnect utilities prior to the close of escrow.

REAL ESTATE AGENT	
Name	
Team Members	
Company	
Address	
City/State/Zip	
Phone #	
Cell #	
Fax #	
Email	
Website	

CLOSING AGENT OR ATTORNEY	
Name	
Phone #	
Fax #	
Email	

Assistant	
Phone #	
Email	

Address	
City/State/Zip	

SERVICE	COMPANY	PHONE #	ACCOUNT #	DEACTIVATION DATE
Internet				
Cable/Satellite				
Gas				
Electric				

HOME INSURANCE	
Current Agent	
Phone #	
Policy #	
END Date	

New Agent	
Phone #	
Policy #	
START Date	

Home Warranty	
Plan #	
Policy #	

PHONE SERVICE	
Company	
Phone #	
Account #	
New Phone #	
Deactivation Date	

NOTES

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Get Your Home Show Ready

A HOME SELLER'S CHECKLIST

INTERIOR

Clean:

- ❑ Doors
- ❑ Windows
- ❑ Light switches
- ❑ Baseboards
- ❑ Chair rails
- ❑ Carpets
- ❑ Draperies

Paint:

- ❑ Paint/repaint rooms in neutral colors as needed

Other tasks:

- ❑ Remove/pull back dark curtains
- ❑ Lubricate squeaky door hinges
- ❑ Clean ceiling fans
- ❑ Check for cobwebs in all corners
- ❑ Fix scratches in wooden floors
- ❑ Repair/replace broken flooring
- ❑ Use area rugs, if needed
- ❑ Empty wastebaskets
- ❑ Make beds
- ❑ Fluff or replace accent pillows

KITCHEN

- ❑ Keep dishes and food out of sight
- ❑ Clean appliances
- ❑ Sweep/Mop
- ❑ Clean light fixtures
- ❑ Test electrical outlets
- ❑ Eliminate cooking odors
- ❑ Deodorize garbage disposal, dishwasher, and refrigerator
- ❑ Clean cupboards and under sink
- ❑ Replace garbage disposal gasket to reduce noise

BATHROOMS

- ❑ Remove soap residue, mildew and mold from surfaces
- ❑ Clean out cabinets; remove nonessentials
- ❑ Keep fresh, clean towels on towel rack
- ❑ Clean/lubricate shower door
- ❑ Replace shower curtain
- ❑ Clean exhaust fan, heater; replace if broken or noisy

LAUNDRY AREA

- ❑ Clean out area behind washer/dryer
- ❑ Eliminate any mildew odors

CLOSETS

- ❑ Keep closets clean and free of clutter
- ❑ Throw out or pack away nonessentials

BASEMENT

- ❑ Eliminate any signs of dampness
- ❑ Check for and eliminate cracks

GARAGE/CARPORT/SHED

- ❑ Clean and unclutter
- ❑ Adjust tension rod to eliminate sag from garage door
- ❑ Put away tools
- ❑ Clear any cobwebs
- ❑ Remove oil/paint stains from floor
- ❑ Lubricate/adjust/repair garage door opener

HEATING/AC UNIT

- ❑ Replace filter
- ❑ Clean intake vent

EXTERIOR

Replace, repair, paint any damaged:

- ❑ Plaster
- ❑ Wood siding
- ❑ Trim
- ❑ Rain gutters
- ❑ Shutters
- ❑ Doors
- ❑ Window frames
- ❑ Screens
- ❑ Water spigots
- ❑ Street numbers on house
- ❑ Fences/gates
- ❑ Outdoor lighting

Clean:

- ❑ Siding
- ❑ Windows/Screens
- ❑ Pet droppings
- ❑ Outdoor BBQ
- ❑ Pool/spa
- ❑ Service areas/trash cans
- ❑ Haul away garbage/debris
- ❑ Straighten woodpile
- ❑ Test doorbell
- ❑ Clean oil stains from driveway

ADDITIONAL TIPS

Clean everything
Cleanliness signals to a buyer that the home has been well cared for and is most likely in good repair. A messy home will cause buyers to notice every flaw.

Unclutter your home
The less "stuff" in and around a home, the roomier it will seem.

Let the light in
Open the blinds. Put brighter bulbs in all the lamps. Bright, open rooms feel larger and more inviting.

Let some fresh air in
If the weather is nice, open the windows. Fresh flowers and potpourri can also be used to your advantage.

Send the kids to Grandma's
Or take them on a walk around the block. Active children can be distracting to someone viewing a home.

Paint
There's nothing that improves the value of a home more than a few cans of paint. And it's so often easier to paint a room than it is to scrub it. Stick with neutral colors.

Keep the noise down
Turn off TV and turn on soft instrumental background music.

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KEY PROFESSIONALS

INVOLVED IN A REAL ESTATE TRANSACTION

Knowledgeable, customer-focused professionals are available to answer your title and settlement questions. Throughout the home selling process, you may also encounter the following industry specialists who are able to professionally answer questions in their area of expertise.

REAL ESTATE AGENT
Licensed by the state to represent parties in the transfer of property.

HOME INSPECTOR
Objectively and independently provides a comprehensive analysis of a home's major systems and components.

LOAN OFFICER
A representative of a bank or other financial institution. They help customers identify their borrowing options and help them understand the terms of their loan.

APPRAISER
Works on behalf of a lender and provides a market analysis of the subject property. An appraiser's finding is subjective and combined with market findings of sold properties within the surrounding neighborhood.

INSURANCE AGENT
Helps a homebuyer determine the homeowner's protection coverage needed and then finds the right insurance policy to fit those needs.

REAL ESTATE ATTORNEY
Can give advice on all legal aspects of the real estate transaction. Additionally, they are able to draft and review contracts, help decide how to take title and assist with the closing process. In some states, real estate closings can only be conducted by attorneys.

ESCROW/CLOSING OFFICER
A non-biased third party who works with all participants to facilitate a successful closing of a real estate transaction. At closing, the closing officer will collect the purchase money funds from the buyer and lender as well as the settlement costs from each party. They disburse the funds in accordance with the closing documents and record the necessary documents to transfer ownership of the property.

CLOSING/SETTLEMENT/TITLE AGENT
Performs title searches to ensure a clear title so a title insurance policy can be issued. In some states, they facilitate the transfer of real estate.

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what is
TITLE INSURANCE

As real estate is the nation's largest market, its purchase and sale is essential to the health of the U.S. economy. However, these transactions are never without risk. That's why title insurance has been protecting American homeowners for more than 130 years.

Overview

When a piece of real property is financed, purchased or sold, a record of that transaction is generally filed in public archives. Likewise, other events that may affect the ownership of a property are also documented and filed. These may include liens, levies, encumbrances, etc. When a buyer purchases title insurance, the title company searches these records to find (and remedy, if possible) issues that may affect the purchaser's ownership.

Title Search and Exam

That's where title insurance differs from traditional insurance models. When you purchase a policy insuring you for matters relating to your car or health, the insurance company assesses the risk of insuring you, and bases its premium on the risk being assumed. With title insurance, the insurer first works to identify the status of ownership, liens and other matters affecting title by collecting documents affecting title from the public records that are statutorily identified for the recording of real estate transactions. This process is called the search. Once the search is complete, the title insurance underwriter can then determine the insurability of the title and list exceptions from coverage and requirements to insure.

Undiscovered Risks

Of course, even the most skilled title professionals may not find all title problems. Other risks include matters that are more difficult to identify, such as title issues resulting from filing errors, forgeries, undisclosed heirs, and other unforeseen problems. That's one reason why your title insurance policy can play a key role in protecting your real estate investment.

Loan Policy

When you purchase a new home or other piece of real property by securing a mortgage, you may be required by your lender to purchase a Loan Policy of title insurance. This policy insures the lender against covered title defects up to the amount of insurance. This coverage in favor of the lender lasts for the life of the loan under limited circumstances stated within the policy.

Owner's Policy

You will also have the option of purchasing an Owner's Policy of title insurance, which provides insurance directly to the insured owner listed in the policy, and describes the type of real property interest owned. The insurance in both an owner's and a Loan Policy is subject to the policy provisions, which include the covered risks, exclusions from coverage, the conditions and the exceptions to title listed on a schedule to the policy.

Premium

You will pay a one-time premium for both the Loan Policy and the Owner's Policy at the close of your transaction, based on the total value of your home and the amount of your loan. This is another way in which title insurance differs from other insurance models, where premiums are paid on an ongoing basis. The purchase of a home or other real estate may be the largest financial investment you ever make. Title insurance can give you added peace of mind in knowing that the title to your investment is insured.

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10 Common TITLE PROBLEMS

Have you ever wondered why you need title insurance? Your home may be new to you, but every property has a history. A thorough title search can help uncover any title defects tied to your property. And, subject to the terms of the policy, your title insurance provides protection for you from title problems that may become known after you close your transaction. Some of these common title issues are:

1. **ERRORS IN PUBLIC RECORDS:** To err is human, but when it affects your home ownership rights, those mistakes can be devastating. Clerical or filing errors could affect the deed or survey of your property and cause undue financial strain in order to resolve them.
2. **UNKNOWN LIENS:** Prior owners of your property may not have been meticulous bookkeepers – or bill payers. And, even though the former debt is not your own, banks or other financing companies can place liens on your property for unpaid debts even after you have closed on the sale. This is an especially worrisome issue with distressed properties.
3. **ILLEGAL DEEDS:** While the chain of title on your property may appear perfectly sound, it's possible that a prior deed was made by an undocumented immigrant, a minor, a person of unsound mind, or one who is reported single but in actuality married. These instances may affect the enforceability of prior deeds, affecting prior (and possibly present) ownership.
4. **MISSING HEIRS:** When a person dies, the ownership of their home may fall to their heirs, or those named within their will. However, those heirs are sometimes missing or unknown at the time of death. Other times, family members may contest the will for their own property rights. These scenarios – which can happen long after you have purchased the property – may affect your rights to the property.
5. **FORGERIES:** Unfortunately, we don't live in a completely honest world. Sometimes forged or fabricated documents that affect property ownership are filed within public records, obscuring the rightful ownership of the property. Once these forgeries come to light, your rights to your home may be in jeopardy.
6. **UNDISCOVERED ENCUMBRANCES:** When it comes to owning a home, three can be a crowd. At the time of purchase, you may not know that a third party holds a claim to all or part of your property – due to a former mortgage or lien, or non-financial claims, like restrictions or covenants limiting the use of your property.
7. **UNKNOWN EASEMENTS:** You may own your new home and its surrounding land, but an unknown easement may prohibit you from using it as you'd like, or could allow government agencies, businesses, or other parties access to all or portions of your property. While usually non-financial issues, easements can still affect your right to enjoy your property.
8. **BOUNDARY/SURVEY DISPUTES:** You may have seen several surveys of your property prior to purchasing, however, other surveys may exist that show differing boundaries. Therefore, a neighbor or other party may be able to claim ownership to a portion of your property.
9. **UNDISCOVERED WILL:** When a property owner dies with no apparent will or heir, the state may sell his or her assets, including the home. When you purchase such a home, you assume your rights as owner. However, even years later, the deceased owner's will may come to light and your rights to the property may be seriously jeopardized.
10. **FALSE IMPERSONATION OF PREVIOUS OWNER:** Common and similar names can make it possible to falsely "impersonate" a property owner. If you purchase a home that was once sold by a false owner, you can risk losing your legal claim to the property.

PLAY IT SAFE

These and other issues are often covered by an Owner's Policy of title insurance. When you buy a home, make sure you're protecting that investment with title insurance.

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what is ESCROW

"Escrow" is a term that describes the neutral third-party handling of funds, documents, and tasks specific to the closing (or settlement, as it is also known), as outlined on the real estate purchase agreement or sales contract. The purpose of escrow is to facilitate the transaction by managing the disbursement of funds.

Key Players

In accordance with local custom, the buyer or seller involved in the transaction will select the escrow provider, though they often defer to their real estate agent to make this decision. This provider could be an escrow company, title officer, or title/escrow attorney, depending upon many considerations, including the geographical location of the transaction.

Roles

The escrow provider may have a duty to arrange and/or track the requirements and contingencies outlined within the purchase contract. These might include home inspections, the purchase of homeowners insurance, the completion of negotiated repairs, and financing requirements.

Process

Once all transaction contingencies are met, including the execution of all documents necessary to complete the transaction, the escrow company will disburse funds to the seller and other parties, all in accordance with the purchase agreement.

Cost

The cost of escrow services is covered by the buyer or seller as determined by local custom, market conditions, or contractual agreements made within the purchase offer.

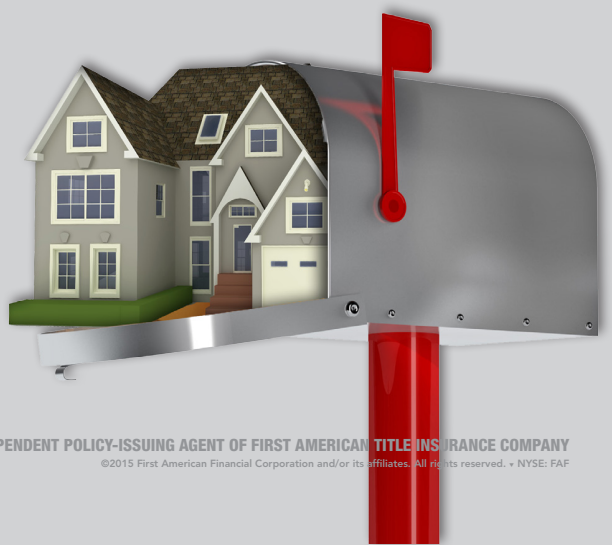
"Closing/Consummation"

Once all the tasks described within the sales purchase agreement have been completed and the appropriate funds are disbursed, the transaction is complete and the escrow closes.

mail-away CLOSING TIPS

As opportunities for real estate transactions expand across county and state lines, the frequency of mail-away closings is increasing. If you are involved in a closing that requires the mailing of documents, here are some tips that can help you avoid delays:

- Inform your closing/settlement agent of the need to mail documents as soon as possible. This will allow them to better coordinate the document preparation and signing process.
- Provide your closing/settlement agent with a physical address and the best phone number for each party involved in the transaction. Most overnight delivery services will not deliver to a P.O. Box.
- Be aware that many lenders have specific closing practices that may differ from local customs. Not all lenders allow documents to be signed in advance of the closing date, and some require that the documents be signed in the presence of an attorney or at a local settlement agent's office.
- Allow sufficient turnaround time for the documents to be signed. This may decrease the chances of funding delays due to errors in the signing process. In order to disburse funds on a transaction, your closing/settlement agent may require the original documents to be returned and in their possession. The minimum time required to send and receive documents is three business days.



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TIPS FOR A TIMELY CLOSING

Selling a home can be a rewarding experience, but there may be delays in the closing due to situations that could have been avoided. Although closing procedures vary from state to state, having an understanding of what may be required at closing and preparing accordingly will help your settlement process go as smoothly as possible.

MORTGAGES ON THE PROPERTY: Please provide detailed information, including loan number and payment address, for all mortgages on the property. Home Equity lines, even if they have a zero balance, will also require detailed mortgage information in order to satisfy the original loan requirements.

BUYER PROTECTION PLAN: If a home warranty product is being provided and shown on contract, advise the closing/settlement agent of the purchase amount to be collected.

MAINTENANCE CONTRACTS: If there are service contracts on equipment or appliances that the purchaser wants to assume, provide the closing/settlement agent with a copy of the service contract.

JUDGMENT SEARCH: Any judgments, tax liens, etc., filed against you, which attach to the property, must be paid at closing.

INTERNAL REVENUE SERVICE (IRS): The closing/settlement agent is required to report the sale of the property to the IRS. You will need to provide your Social Security number(s) and forwarding address.

FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA): If you are not a United States citizen, the closing/settlement agent may be required to deduct and withhold a tax equal to 10% of amount realized (generally the amount paid for the property).

POWER OF ATTORNEY: The use of a power of attorney must be approved in advance of settlement by the closing agent. If you are planning to use a power of attorney, inform the closing/settlement agent as soon as possible to allow time to properly review the document.

MARITAL STATUS: Spouses may be required to sign closing documents even though they do not appear to hold title and their name does not appear on the deed. Spouses must always sign the deed when homestead property is being conveyed, even if they are not in title.

MAIL-AWAY: If you are unable to attend the closing, provide the address where the closing documents should be mailed and a contact phone number. Your signature on certain affidavits, real estate deeds and other documents may require the services of a notary.

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Closing DAY

Whether you are purchasing a home or selling a house, knowing what to expect and being prepared at the closing can help eliminate stress and result in a pleasant experience. We understand how important this transaction is to you, and we are committed to consistently providing a level of service that prepares you for this final step in your real estate transaction.

Although the settlement process can vary from state to state, here are some common items that may be required at closing to help the process go as smoothly and quickly as possible.

VALID PHOTO IDENTIFICATION

Two forms of identification are typically required at closing, including one of the following:

- Valid U.S. Driver's License or non-driver I.D.
- Valid Canadian or Mexican Driver's License issued by the Official Agency
- Current United States or Foreign Passport
  Foreign Passport must have been stamped by U.S. Immigration and Naturalized Service

CASHIER'S CHECK, TREASURER'S CHECK, OR WIRE TRANSFER

In the event you are required to bring funds to closing, we cannot accept personal checks or cash. If you prefer to wire your funds, contact us for bank routing instructions.

If you will be bringing a proceeds check from another settlement, contact us to verify the acceptance of those funds - we do not automatically accept all checks.

HAZARD INSURANCE POLICY AND PAID RECEIPT

A hazard policy, also known as homeowner's insurance, with the lender designated as the insured holder of the mortgage, is required on most loans. Evidence of hazard insurance, including a paid receipt, must be provided prior to closing.

IF POSSIBLE, ALL PARTIES WHO HOLD TITLE TO THE PROPERTY SHOULD ATTEND THE CLOSING

State-specific laws may require the spouse of the parties in title, even though their name does not appear on the deed, to sign certain documents when obtaining a mortgage. If anyone is unable to attend closing, contact us to arrange a power of attorney or closing by mail.

Checklist of Items Needed for a SUCCESSFUL CLOSING

- **Closing Instructions or Real Estate Broker Worksheet**
- **Purchase Agreement**
- **Valid Photo Identification**
- **Amendments or Addenda**
- **All Closing Party Members**

If Applicable:

- Buyer(s) Pre-Approval Letter
- Home Warranty Application
- Payoff Authorization to Release Information
- Association/Condominium Contact Information
- Copy of Earnest Money Deposit Check and Escrow Agreement
- Cashier's Check, Treasurer's Check, or Wire Transfer
- Power of Attorney
  (original needed at closing)
- Divorce Decree and Quit Claim Deed
  (original needed at closing, if not recorded)
- Court Order from Bankruptcy Court
- Corporation Documents: Board of Resolution, Certificate of Good Standing and Articles of Organization
- Death Certificate
  (original needed at closing)
- Prior Owner's Title Policy
- Trust Agreement and Attorney Contact
- Letter of Authority for Probated Estate
  (original needed at closing, if not recorded)
- Limited Liability Company Documents: Operating Agreement and Articles of Organization
- Hazard Insurance Policy and Paid Receipt

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MOVING CHECKLIST

SEND CHANGE OF ADDRESS TO:

- ☐ Post Office
- ☐ Bank
- ☐ Credit card companies
- ☐ Friends and relatives
- ☐ Insurance companies — Life, health, fire, auto
- ☐ Automobile — Transfer of car title registration, driver's license
- ☐ Utility companies — Gas, light, water, telephone, cable
  - ☐ Arrange for any refunds of deposits
  - ☐ Arrange for service in new location
- ☐ Home delivery — Laundry, newspaper, magazine subscriptions
- ☐ School records — Ask for copies or transfer children's school records
- ☐ Medical records — Medical, dental, prescription histories
  - ☐ Ask doctor and dentist for referrals
  - ☐ Transfer needed prescriptions, x-rays, etc.
- ☐ Church, clubs, civic organizations — Transfer memberships and get letters of introduction

DON'T FORGET TO:

- ☐ Empty freezers — Plan use of foods
- ☐ Defrost freezer/refrigerator
- ☐ Have appliances serviced for moving
- ☐ Contact utility companies to disconnect services — Water, power, cable, trash, etc.
- ☐ Stay in contact with your mover — Confirm the following: insurance coverage, packing and unpacking labor, time and date of scheduled move, details of payment

ON MOVING DAY:

- ☐ Carry currency, jewelry, and important documents yourself
- ☐ Let a close friend or relative know route and schedule you will travel including overnight stops; use him/her as message headquarters
- ☐ Double-check old closets, drawers, shelves to be sure they are empty
- ☐ Leave old keys needed by new owner

TIPS FOR MOVING WITH PETS

Moving to a home in a new location can be an exciting adventure, but it can also be the cause of stress and confusion for household pets. To minimize the trauma, here are a few tips that may help make your pet's transition a little easier:

- Schedule an appointment with the veterinarian for a check-up prior to moving.
  - » Obtain a copy of your pet's medical history along with rabies certifications that state when and where your pet was vaccinated.
  - » Make sure the supply of current medications will last until a veterinarian in your new location can be found to provide refills.
- Proper identification is essential. Be certain that any required license tags are secured properly and the contact information is current.
- Pets can become anxious with the increase of activity prior to a move. To eliminate the threat of them misbehaving or running off, consider boarding your pet during the most hectic of moving days.
- If you are moving your pet by car, be sure to take a favorite toy or two, a leash for when stops are made, and plenty of water to keep your pet hydrated.
- Requirements for the movement of pets across state lines are set by each individual state. Contact the State Veterinarian in your new location to obtain the most current information.
- Long-distance moves may require an overnight stay. People and pet-friendly accommodations can be found by searching a number of internet sites.
- Once you and your pet have arrived in your new location, allow sufficient time for the new neighborhood adjustment to be made. It could take a few days or a few weeks for your pet to adapt to their new surroundings.
- Carry a current photograph of your pet. If your pet is lost during the move, a photograph will make it much easier to search effectively.

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KNOW BEFORE YOU OWE

The TILA-RESPA Integrated Disclosure (TRID) Rule from the Consumer Financial Protection Bureau (CFPB) went into effect on October 3, 2015. This initiative is designed to help consumers understand their loan options, shop for the mortgage that's best for them, and avoid costly surprises at the closing table. The new Rule not only requires new mortgage disclosure forms, it also changes the way real estate transactions are processed and closed.

NEW FORMS

Loan Estimate (LE)

- Replaces the Good Faith Estimate (GFE) and initial Truth-in-Lending Disclosure
- The LE is designed to provide disclosures that will be helpful to consumers in understanding the key features, costs and risks of the mortgage loan for which they are applying.
- The lender or mortgage broker will issue the LE.

Closing Disclosure (CD)

- Replaces the HUD-1 Settlement Statement and final Truth-in-Lending Disclosure.
- The CD is designed to provide disclosures that will be helpful to consumers in understanding all of the costs of the transaction.
- The lender will most often provide this document to the buyer/borrower, but in some cases, may assign the responsibility to the settlement agent or title company.
- The settlement agent, not the lender, is responsible for completing and delivering the seller's side of the CD. Settlement agents may elect to prepare a separate CD for the seller.

NEW TIMING REQUIREMENTS

- **The LE** must be delivered or placed in the mail no later than the third business day after receiving the consumer's application.
- **The CD** must be provided to the consumer at least three business days prior to closing.

The real estate closing process varies around the country, but every transaction requires coordination between skilled professionals. Working closely with your real estate agent, lender and settlement agent will help the settlement process go as smoothly as possible.

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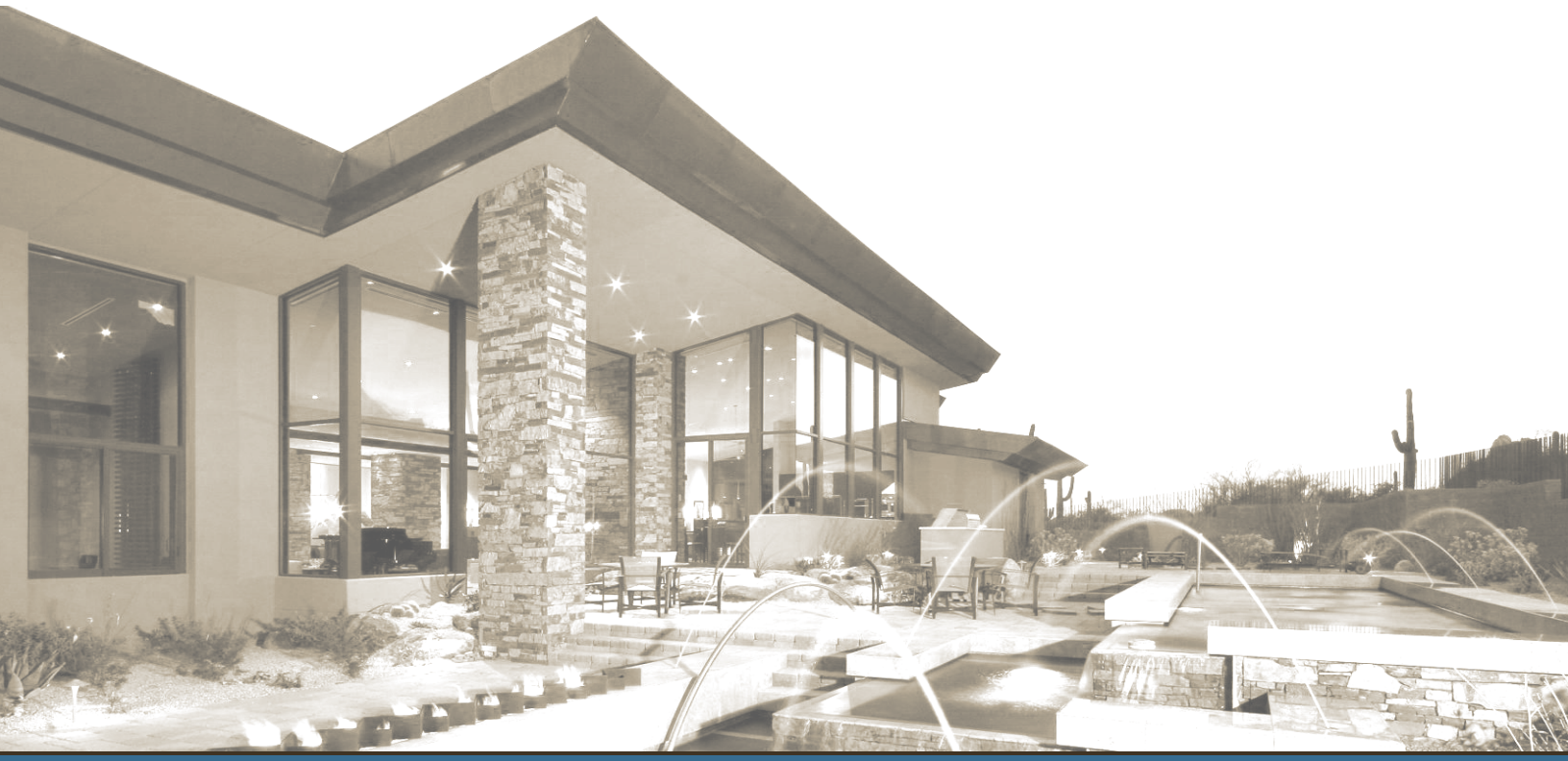

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