

# top 10 THINGS TO KNOW ABOUT THE CLOSING PROCESS

## YOU HAVE A CHOICE

- When it comes to service providers associated with your closing, you have a choice.
- Talk to your Real Estate Professionals to obtain additional information about the various service providers associated with your closing.

## PROTECTING YOUR PERSONAL INFORMATION

- As an additional security measure to protect your non-public personal information (NPPI), you may receive secure emails from your Lender and Insured Titles.
- You will need to follow the instructions for retrieving that information (which will likely require you to create an account) and make sure that you return any information through the secure email system.

## LOAN ESTIMATE (LE)

- The Loan Estimate (LE) will be sent to you within three days of your loan application. You may receive multiple copies of the LE if there is any change in circumstance(s).
- The terms provided on the LE will also appear on the Closing Disclosure (CD). Lenders are required to explain any changes in fees on the CD.

## CLOSING DISCLOSURE (CD)

- A closing statement called the Closing Disclosure (CD) will be used for most loan applications. The CD will be sent directly to you, the Buyer and Seller, and not your Real Estate Agent.

- The CD is designed to make it easy for you to understand the terms of your loan.

## 3 DAY REVIEW PERIOD

- The CD must be delivered to the Buyer and Seller consumer at least three business days prior to signing the documents.
- If the CD is delivered via email it is important to acknowledge receipt to avoid additional delays.
- The CD may also be mailed seven days in advance and does not require proof of receipt.
- This time allows you to share it with your agent, attorney and/or financial advisor and ask questions or get clarifications from your lender about the terms and conditions of your loan.

## TIME IS OF THE ESSENCE

- To avoid delays or a postponement of your closing, be sure to respond to Lender and Escrow Officer requests immediately.
- Work closely with your Real Estate Professionals to avoid delays.

## PREPARING FOR CLOSING

- Approximately 10-14 days before you are scheduled to sign your documents you should be prepared to communicate with your Real Estate Professionals. It will be important for you to provide your hazard insurance information.
- *NOTE:* Wiring instructions will be subject to strict verifications to prevent fraud. Discuss this with us well in advance.

## LENDER'S POLICY

- Lenders typically require their borrowers to purchase a Lender's Policy of title insurance for the purchase loan(s).
- The fees are usually based on the amount of the loan(s).
- However, a Lender's Policy protects only the Lender's interests should a problem with the title arise.

## OWNER'S POLICY

- Research the value and importance of an Owner's Policy of title insurance early on in the process of obtaining a loan and closing on the purchase of your home. Typically, the Seller pays for the Buyer's Owner's Title Insurance Policy, providing you with the same protection and peace of mind they received when they bought the property.
- Homebuyers often assume that the Lender's Policy protects them from challenges to their ownership rights in the property being acquired. This is not the case. Instead, the homebuyer's interests are protected by an Owner's Policy. This insurance coverage typically protects against adverse matters such as ownership challenges, errors and omissions in deeds, forgery, and undisclosed heirs, among other things that can occur. Its cost is typically based on the home's total purchase price, and is a one-time fee paid at closing.

## ASK QUESTIONS

- This is one of the most important purchases of your life. Do not be afraid to ask questions of your Real Estate Professionals.