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Chicago Title Austin Locations



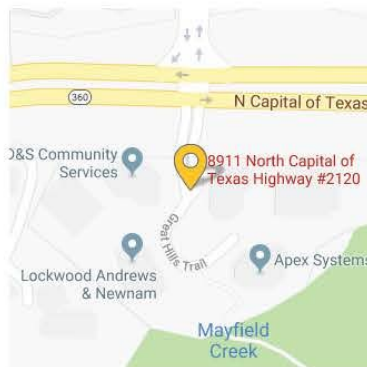
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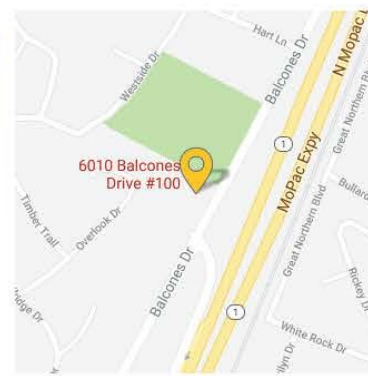
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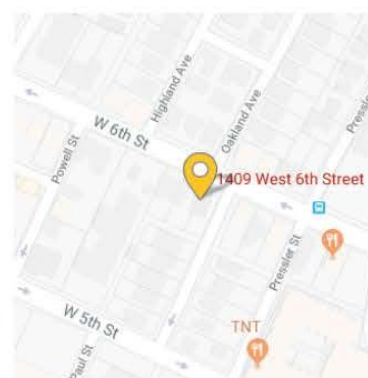
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Yesterday, Today & Tomorrow...

Chicago Title is always here for you!

Our expertise in the Title Industry runs as deep as our history. Since 1847, Chicago Title Austin has been committed to providing our customers with the highest quality service experience, and will continue to do so for many years to come.

Protecting your home and commercial real estate investments is our top priority. You can rest assured that Chicago Title Austin will always be here for you, with the financial strength and stability you can count on and deserve.

Chicago Title Austin is a member of the Fidelity National Financial family of companies and part of the nation's largest group of title companies and title insurance underwriters. As a FORTUNE 500® title company, our underwriters issue more title insurance policies than any other title company in the United States.

We understand your community, because we are part of your community. Chicago Title Austin has offices located throughout the greater Austin area. Our footprint follows your footprint, so wherever you are...we are there too! (And if we aren't there yet, you better believe we will be there soon!)

Local and National Footprint

- 9 Direct and Fee Attorney office locations throughout Austin
- Thousands of locations all across the United States



Why

Chicago Title

PROTECTION

Together with our parent company, Fidelity National Financial, Inc. (FNF), we are the industry leader in all measures of financial strength. This unmatched financial power offers you the peace of mind and protection you need in the event that your property ownership is ever challenged.

EXPERIENCE

Our trusted staff and leadership team have hands on experience with all stages of the closing process, allowing immediate decision making and efficient closings.

SERVICE

Since 1847, the experience and dedication of our full-service, nationwide network of professionals has been a top priority. Chicago Title offers competitive closing costs, expert title searches and examination, which yield a timely and first class closing experience.





What is Title Insurance?

& The Top 3 Reasons You Should Have It



What is Title Insurance?

Title insurance is different from other forms of insurance because it insures against events that occurred before the title policy is issued, as opposed to insuring against events in the future, as health, property and life insurance do. Title insurance is in essence loss prevention insurance.

When purchasing real estate, it is of utmost importance that you receive clear title to the property. In order to do so, you must first be informed of any existing rights or claims that may be asserted against the property, then any of those rights or claims that are unacceptable to you must be resolved or extinguished prior to your purchase of the property.

In Texas, many property records go back to grants from the 1880s, hence it is important that the full history of the property is thoroughly researched and presented to you.

When is the Premium Paid?

Unlike other forms of insurance, for a relatively low one-time premium, the original title premium is your only cost protecting you for as long as you and your heirs own the property. The premium is paid at closing and there are no annual payments to keep your Owner's Title Insurance Policy in force. Rates for title insurance are regulated by the state and are promulgated in Texas.

Top 3 Reasons You Should Have Title Insurance

- 1.** A property may have changed ownership multiple times over the years through events such as sale, marriage, divorce, inheritance, foreclosure, bankruptcy, etc. Title insurance provides you the assurance that a comprehensive search and review of public records has been performed from potentially hundreds of sources including tax records, federal, state and local records, court judgments, and deeds in order to call to your attention any discovered rights or claims against the current or past owners that could have an impact upon title of the property. Once reported to you, these matters can be accepted, resolved or extinguished prior to closing the transaction.
- 2.** Title insurance also provides coverage for future claims or future losses that could threaten ownership of the property due to undiscovered title defects covered by your title insurance policy that are not shown in the public records such as forgery, incompetence, incapacity of the parties, fraudulent impersonation and unknown errors in the records created by some past event.
- 3.** Title insurance helps speed up negotiations when you are ready to sell your property or obtain a loan. Existing title insurance policies can help eliminate delays when passing your title onto someone else. Title insurance also covers attorney's fees and court costs for covered claims. Claims will be disposed of or you will be reimbursed exactly as your title policy provides.

Open Order Timeline

Your help will ensure a positive experience for you and your clients!

Fully signed contract (including execution date)

Provide the following items with the contract

- Any addendums, including seller disclosure
- Contact information for buyers/sellers
- Survey with completed T47 affidavit (if applicable)
- Lender contact information

Seller Information

Please provide within 5 business days of delivering contract

- Payoff information to include:
 - Mortgage company
 - Loan/account numbers
 - Seller's social security number
 - Phone number
- Marital status since acquisition of property
- Confirmation of U.S. Residency as per paragraph 20 of contract
- Total commission percentage
- Mail out or power of attorney

Please provide 14 days prior to closing

- Forwarding address (if known)
- Any special handling of proceeds including title company transfers

Buyer Information

Please provide within 5 business days of delivering contract

- New lender contact information
- Mail out or power of attorney

Please provide 14 days prior to closing

- Home warranty selection and any additional upgrades
- Authorization to order survey as dictated by contract/appraisal
- Homeowner's insurance

*Please advise clients closing costs should be sent in the form of a wire prior to wiring any funds, you should contact the intended recipient via a verified telephone number and confirm that the wiring information is accurate. Do not rely on telephone numbers or Web site addresses provided within an unverified e-mail.



The Closing Process

Contract signed with REALTOR®

Contract and earnest money are received



Buyer applies for loan and the application process is started. Within 3 days, the loan estimate is sent out to borrower

Closer enters order for contract and earnest money is receipted

- Verification of employment (current & previous)
- Verification of bank deposits
- Credit information

Property is researched by the **Title Department**

Title search includes search of the history of the property owners record, liens, clouds on title, documents filed by legal description. Also included is a search of buyer and seller liens, lawsuits, divorces, probates, documents filed by person's name, etc.



Appraisal
(confirmation of property's value)

Information is gathered, packaged and then loan package is submitted to the underwriter



Commitment for title insurance issued and sent to all parties.

Buyer's Loan Approved!

Clear Title, order payoff, Survey, Taxes



Closing disclosure sent to borrower 3 business days prior to closing for review

Parties are ready to close!

Escrow department receives closing instructions and closing disclosure from lender and prepares documents

Closing & Funding
Congratulations!



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Closing Day Reminders

The Seller

- Bring your check/wiring information in order to receive your proceeds
- Bring a valid, unexpired government issued form of identification to closing, such as a driver's license or passport
- Cancel/transfer utilities, homeowner's insurance & flood insurance upon funding

The Buyer

- Bring closing funds (cashier's check or wire transfer) to Chicago Title
 - *Prior to wiring any funds, you should contact the intended recipient via a verified telephone number and confirm that the wiring information is accurate. Do not rely on telephone numbers or Web site addresses provided within an unverified e-mail.*
- Bring a valid, unexpired government issued form of identification to closing, such as a driver's license or passport
- Set up/transfer utilities, homeowner's insurance & flood insurance
- Complete your county tax forms
- Mailing address change
- Homestead exemption form



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When it Comes to Real Estate Transactions in Texas...

Generally, Who Pays for What?

The Seller

- Real estate commission
- Title Insurance premium for Owner's policy
- Escrow fee (one half)
- Payoff of all loans in Seller's name
- Interest accrued to lender being paid off
- Home warranty (or according to the contract)
- Any judgments, tax liens, etc., in Seller's name
- Any and all taxes due
- Tax proration
- Any applicable homeowner's association dues
- Recording charges to clear all documents of record in Seller's name
- Any bonds or assessments
- Accommodation signing fees for mail-out closings, if applicable

The Buyer

- All new loan charges
- Prorated interest on new loan
- Escrow fee (one half)
- Title insurance premium for Lender's policy
- Homeowner's insurance premium
- Inspection fees
- Accommodation signing fees for mail-out closings, if applicable
- Tax proration (from date of acquisition)
- Recording charges for all documents in Buyer's name



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Defining The Title Commitment

The title commitment is a commitment to issue title insurance. It is broken down into four parts or schedules. They are Schedules A, B, C & D.

Schedule A - "A" is for "Actual Facts."

This is where you will find the who, what, where and how much information. The most important information here will be the name of the person who holds the existing title, the legal description of the land and the name of the proposed insured (buyer), the sales price and the name of the lender. All parties and the title company should make sure all of the information is accurate when it is compared to the sales contract.

Schedule B - "B" is for "Buyer Notification."

This is the section of the title commitment that addresses where other parties have any interest or control of the use of the property. Examples of this are utility easements and building setbacks. A utility easement is a common item to find here. This would be a part of the land that a utility company has the right to use. A setback prevents the owner from building a certain distance from a property line. Schedule B is also the area in which exceptions will be noted. Exceptions in this case are anything that will not be covered by title insurance.

Schedule C - "C" is for "Clear to Close."

This is the section in which any issues must be resolved before the buyer can close on the property. Common issues here are an existing mortgage that needs to be paid off, a marital status issue or unpaid taxes and liens on the property.

Schedule D - "D" is for "Disclosure."

This final section outlines all parties who will collect any part of the insurance premium including underwriters, title agents and attorneys. It will also show the amounts being paid for the owner's title insurance policy, the mortgage policy's amount and any endorsements.



Surveys Made Simple

The Importance of Land Surveys

Here are some of the principal reasons to obtain and review a survey:

- To determine whether improvements (buildings, driveways, fences, utility lines, etc.) intended to be located on your property encroach into a neighbor's property, or vice-versa.
- To mark the boundaries on the ground, so that they are clear to observers standing on or near the property.
- To discover trails and other evidence of use by third parties that might suggest that someone has established an implied easement over a portion of the property, or might claim a portion of the property by reason of adverse possession.
- To provide the evidence needed by the title insurer to delete certain standard exceptions to coverage and thereby provide "extended coverage" against off-record title matters (including matters that would be revealed by an accurate survey).

When to Use an Existing Survey

The TREC Contract was revised several years ago giving the option to Sellers and Buyers to use existing surveys when appropriate. Per the TREC Contract, not only does the buyer have to accept the survey, but lenders and title companies must also approve and accept it. Survey Affidavits assist in research and review however the best information comes from those who have been on the property, particularly prospective Buyers and their REALTORS®.

To avoid costly delays, the following guidelines for using an existing survey are provided:

- Survey should be completely legible. It must have the property address, complete legal description, flood certification and the surveyor's signature and seal on the drawing.
- Survey must reflect all permanent improvements that are currently on the property, including pools, fences, spas, decks, and additional square footage.

If the Sellers have added permanent structures that are not shown on survey, it is important to identify new improvements, such as a pool, gazebo, fence, etc. when signing the Survey Affidavit. This notifies all parties that the survey provided is not an accurate rendering of the property as of the current date.

Almost always it is advisable to forego using an existing survey if improvements have been built since the time the initial survey work was performed.

Likewise, when an incorrect survey is delivered to the Buyer and their Agent, a new one should be requested. The title company and lender must be informed of the need for a new survey.

When to Obtain a New Survey

It is recommended that a purchaser obtain a new survey if one or more of the following conditions exist:

- A survey shows that all significant improvements currently located on the property do not exist or cannot be found.
- Surveys exist only for portions of the property, but the property as a whole consists of two or more parcels that are not platted and that are described by "metes and bounds," such that without a surveyor's interpretation of the legal descriptions one cannot be certain of whether the parcels are contiguous, or whether there might exist a "gap" between, or overlap of, property boundaries.

Even when one or more of the foregoing conditions are present, a survey might not be necessary, and the purchaser might wish to bear the risk of proceeding without a survey; unless required by your lender.



TOP 10 REAL ESTATE CLOSING DELAYS & HOW TO AVOID THEM



1. Determining Ownership-Death, Divorce, Trusts, etc.

Verify all owners/sellers names; make sure they are listed on your contract. If any changes have occurred in marital status, such as divorce, there may be an ownership change. If a death has occurred, we will need to determine if a probate or heirship is necessary. If the property is vested in a trust, we will need the certificate of trust to determine who the authorized trustee(s) is (are) to sign for the sale of the property.

2. Foreign Seller

At the listing appointment, determine if the seller is a "foreign person," as defined by applicable law. If you believe the seller could be classified as a foreign person, notify your escrow officer and all parties to the contract. A foreign person requires certain IRS documentation from both the seller and buyer with most of the obligation falling upon the buyer. A withholding equal to a percentage of the sales price will be paid to the Internal Revenue Service.

3. Lender Information

We are required to obtain the seller's loan payoff information. We will need the name and phone number of the lender, the loan number, and the full social security number for each person on the loan. The title company must obtain a written payoff demand from each lienholder.

4. Survey

If an existing survey is to be provided to the buyer by the seller per the contract, it must be accompanied with the Residential Real Property Affidavit (T47). Failure to provide the affidavit with the existing survey could result in the seller paying for a new survey. If any changes have been made to the property disclose those accordingly on the T-47 affidavit. It is likely any improvements to the property not accurately depicted on the prior survey (new deck, new fence, pool, home addition, etc.) will result in a new survey being required. Changes/additions revealed at closing could delay the closing, pending receipt of a new survey. If the prior survey cannot be located or is not approved by the title company or new lender, a new survey will be required.

5. Identification

Valid, unexpired U.S. government issued photo ID is required for each person signing documents. A State issued driver's license, a military ID and/or a passport are acceptable forms of identification.

6. Clouds on Title

Tax liens, judgments, HOA liens, missing liens, IRS liens, bankruptcy and any other involuntary liens will be addressed and some could take an extended time to clear. It is important to have open lines of communication between the seller and the title company to clear any and all clouds on title. Often the lienholder will not speak with a third party regarding these matters without authorization from the seller.

7. Contract Dates

All dates in the contract should be complete. The effective date is the catalyst for all requirements/conditions in the contract. Incomplete dates in the contract can lead to confusion and misunderstandings which could delay your closing and funding!

8. Repairs Not Completed

Agreed repairs must be completed in a timely fashion. Completion of repairs in the contract is often a lender requirement to satisfy the loan. Lenders can require the appraiser to re-inspect the property prior to closing to certify the repairs per the contract were completed and all is in good safe working order.

9. HOA & HOA Addendums

If the property is in a subdivision with a mandatory owners' association, pay special attention to the boxes and blanks on the contract HOA addendum indicating the party responsible for delivering the subdivision information as well as the time frame required for delivery.

10. Short Sales & Foreclosures

It is important to understand the process when contracting into a short sale or foreclosure. Even after the contract is signed, the current lienholder still requires the seller to go through a process before approving the sale. Patience and compliance are the key to navigating through a short sale or foreclosure. Everyone is at the mercy of the current lienholder.



Title Education Video Resources



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