



How to prepare for your settlement

The search may have been long, but you've finally found the home of your dreams.

You love its style, floor plan, and views. The neighborhood looks great. You've also done the hard work of reaching an understanding with the seller on price, signed a purchase agreement, and made an earnest money deposit. The home inspection went well, your loan has been approved, and your excitement builds as the big day of closing approaches. For most of us, the purchase of our home is the single biggest investment we ever make, which is why no one wants any last-minute problems to threaten the transaction. Please take a moment to review these points. They will help ensure a successful, trouble-free transaction.

Do I Need Owner's Title Insurance?

Most definitely! Title insurance is a means of protecting yourself from actual financial loss in the event that problems develop regarding the ownership rights to your property. There may be hidden title defects that even the most careful title search will not reveal. In addition to protection from a covered financial loss, title insurance pays the cost of defending you against any covered claim.

But The Lender Already Requires Title Insurance. Won't That Protect Me?

No. There are two types of title insurance. A Lender's Policy only insures your lender that the mortgage it gave you is a valid lien on the property. Most lenders require this type of insurance and will typically require the borrower to pay for it.

An Owner's Policy, on the other hand, protects your ownership interests in the property. Title troubles from previous owners, such as improper estate proceedings or pending legal action, could put your equity at serious risk. If a valid claim is filed, in addition to covering any actual financial losses up to the face value of the policy, your title insurer has a duty to defend you against any covered claims.

Should I Shop Around For The Best Title Insurance Deal?

Absolutely. Some states closely regulate rates. Others permit open competition, which often results in significant differences in rates and services. Depending where you live, it pays to investigate your options carefully in order to obtain the most complete coverage and the best service. You also want to work with a title insurer that responds readily to your needs and performs its complex tasks with great accuracy. It is vital, too, that you choose a title insurance company with the financial strength and stability to meet its obligations, through good times and bad, over the long term.

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Can my title company handle the settlement?

Yes, in most areas of the country, Old Republic Title and its agents act as a central clearinghouse for the parties involved— collecting necessary documents and providing customary settlement services. We are fully prepared to work with you from the beginning of your transaction all the way through to conclusion. When you work with your friends at Old Republic Title or its agents, you can be confident that you are working with those knowledgeable in how to ensure a successful transaction.

At a minimum, you will want to have the following items complete or in hand when you come to the closing (please confirm with your settlement officer, as practices vary by state):

Buyer

- Cashier's check(s) or certified check for amount due to settle.
- Proof of purchase of insurance for fire, casualty, etc.
- Invoices for any unpaid taxes, utilities or assessments.
- Photo identification (passport, driver's license, or state-issued identification card).
- Documentation required by the lender, even if already provided.

Seller

- Invoices for any unpaid taxes, utilities, assessments and latest utilities meter readings.
- Receipts for paid taxes and assessments.
- Proof of satisfaction of any mechanics' liens, mortgages, chattel loans, judgments, or loans that were paid prior to the closing.
- Photo identification (passport, driver's license, or state-issued identification card).
- Cashier's or certified check if you need funds to settle.

Be sure to discuss the benefits of the Homeowner's Policy with your title agent or attorney.

