



## What is Title Insurance?

A primer on title insurance and what it does.

- **How It Works**  
Why you should have it, where you get it.
- **Examples of Title Problems**  
A list of reasons to own title insurance.
- **Choosing Title Insurance**  
Tips for selecting the right policy.
- **Questions and Answers**



The Closing Process



What is Title Insurance?



5 Things You Should Know

If you're buying a home, especially for the first time, you're probably faced with a lot of terms and procedures that may be unfamiliar to you. Title insurance, escrow, points, amortization – if you're like most people, it all sounds like a foreign language.

Good thing you came to KnowYourClosing.com. This site was designed to give you a quick overview of the whole real estate transaction process, so you can understand what's involved and get an idea of what to expect. Read on, and you'll feel a lot more confident as a home buyer.

Brought to you by:



© 2005-2006, LandAmerica Financial Group, Inc. All Rights Reserved.



## The Closing Process

### Step by Step Guide

If it hasn't already, the thrilling reality of buying a home will definitely hit you at the closing! Along with the excitement, the **deed** and the shiny new keys comes a stack of paperwork. To understand what you're signing, it's important to understand the events leading up to your closing.

- 1. It starts when a seller accepts a contract you've put in on their home.** You might put down a deposit check to prove you're serious about the offer. At that point, your **settlement agent** (often an attorney, and also sometimes referred to as closing agent, escrow officer or escrow agent), gets the ball rolling, deposits any funds you've submitted into a special **escrow** account and puts in requests for title work, or an examination of the home's ownership history.
- 2. A title company begins reviewing the title.** Each home has a series of documents recorded at the local courthouse that reflect prior owners, lenders and other parties who have or had an interest in the home you're buying. These documents are examined to identify all outstanding interests. Then, that paperwork is forwarded to your settlement agent.
- 3. Mortgage issues are addressed.** Your settlement agent works with your **lender** to verify dollar figures and other important details of the transaction. In addition, if prior **mortgages** have to be paid, or if a loan is being assumed, that's worked out by your settlement agent as well.
- 4. The property is inspected.** In most cases, a professional inspector will conduct a home **inspection**, **survey** the property and inspect for termites to ensure the integrity of the property.
- 5. The HUD-1 statement is prepared.** Your settlement agent prepares this document which shows all costs that will be paid at your closing. Check with your settlement agent to confirm the amount you need to bring to the closing.
- 6. You close on your property.** You'll need to provide a picture ID and funds in the amount that your settlement agent says you'll need to complete the **closing**. During the closing, you (and whoever else is buying the property with you) will sign a number of documents, each of which will be explained to you by the settlement agent. After your closing process is complete, the house is yours. Welcome to homeownership!



## The Closing Process

- [▶ Step by Step Guide](#)
- [▶ Who's Involved](#)
- [▶ Questions and Answers](#)



## What is Title Insurance?



## 5 Things You Should Know

Brought to you by:



© 2005-2006, LandAmerica Financial Group, Inc. All Rights Reserved.