

DAYTON & KAIKIS, PC

ATTORNEYS AT LAW

Title Insurance election and acceptance

DEAR VALUED CLIENT:

Thank you for selecting Dayton & Kaikis, PC for your real estate closing. As your settlement agent Dayton & Kaikis, PC is responsible for conducting and reviewing the property title search, gathering applicable tax and lien/judgement information from local authorities, resolving any title issues found, determining title insurability, maintaining contact with your new lender (if applicable), preparing closing documents, scheduling closing

with all parties and collecting and disbursing funds and proceeds.

At closing, one of our attorneys will go through all closing documents as you sign them. Any member of our knowledgeable team will be able to explain the purpose of each document and answer any questions that may arise.

The settlement process continues after documents have been signed; post-signing we will ensure the recording of the new deed and mortgage, as well as prepare and issue the final title insurance policies. Recording times can vary by county, but it is our goal to have your recorded deed and final policy issued to you within 30 days of closing.

To be able to provide you with the most efficient and effective service possible, we ask that you carefully read the following, and then complete, sign and return pages 5 and 6 to dk@dklawpgh.com at your very earliest convenience.

Thank you again, for choosing Dayton & Kaikis, PC for your closing needs. We look forward to working with you!

HAVE QUESTIONS?

Please contact us so we can answer any questions you may have or that may come up as the process moves forward. We want you to be comfortable and prepared throughout the closing process.

PHONE: 412-918-1845

FAX: 412-904-2237

EMAIL: DK@DKLAWPGH.COM

Please submit pages 5 and 6 to dk@dklawpgh.com as soon as possible.

Thank you!

UNDERSTANDING TITLE INSURANCE

What is Title Insurance?

Title Insurance is a unique form of insurance

Title Insurance provides coverage for future claims or future losses due to title defects which are created by some past event (i.e. event prior to your purchase of the property) known as a title defect. Unlike other forms of insurance, the original premium is your only cost, ever! For a one-time fee, for as long as you (or your heirs) own the home, your property rights are protected.

Title Insurance protects against past events

The title search may reveal the existence of recorded defects, liens or encumbrances upon the title such as unpaid taxes, unsatisfied mortgages, judgments and tax liens against the current or past owners, easements, restrictions and court actions. In addition, to what may be revealed during the title search you are protected against any loss or damage resulting from unrecorded defects, liens or encumbrances that are within the scope of coverage of the policy issued in the transaction. These unrecorded defects are “hidden risks”; common hidden risks that can cause a loss of title or create an encumbrance on title are:

- False impersonation of the true owner of the property
- Forged deed, releases or wills, Instruments executed under invalid or expired power of attorney
- Undisclosed or missing heirs; Mistakes in recording legal documents
- Misinterpretations of wills Deeds by persons of unsound mind
- Deeds by minors
- Deeds by persons supposedly single, but in fact married
- Fraud
- Liens for unpaid estate, inheritance, income or gift taxes.

Title Insurance protects an Insured Owner

In the event of a covered matter affecting your title, your insurance policy may protect you in various ways including: (1) Defending your title, (2) Bearing the cost of settling the covered matter, or (3) Paying you for the loss due to the covered matter. Title insurance will pay for defending against any lawsuit attacking your title as insured, and will either clear up title problems or pay the insured's losses.

Types of Policies: Standard OR Enhanced

A standard policy covers defects, as described above. An Enhanced Policy goes one step further to cover those things in a standard policy, PLUS (NOTE: SOME LIMITS MAY APPLY TO THE COVERAGES DESCRIBED BELOW):

- Off record matters, such as claims for adverse possession or prescriptive easement
- Deed to land with buildings encroaching on land of another incorrect survey
- Silent (off-record) liens, such as mechanics or estate tax liens
- Pre-existing violations of subdivision laws, zoning ordinances, or CC&Rs (Covenants, Conditions and Restrictions)
- Post-Policy Forgery
- Forced removal of improvements due to lack of building permit (subject to deductible)
- Post-policy construction improvements by a neighbor onto insured land
- Location and dimensions of insured land (survey not required).

UNDERSTANDING THE WAYS IN WHICH TITLE CAN BE HELD

Tenancy Selection

Sole Owner

When a single person is the sole owner of a property.

Joint Tenancy

Joint and equal interests in land owned by two or more individuals created under a single instrument with right of survivorship.

Joint Tenants with right of survivorship

Joint tenancy with right of survivorship is created when two or more people have an undivided interest in the whole property with right of survivorship, meaning the surviving joint tenant automatically becomes the owner of the entire property upon the death of the other joint tenant. Joint tenancies can be severed; if one joint tenant decides to convey his or her interest in the property, that interest is conveyed, and the joint tenancy is destroyed (reverts to tenants in common).

Tenants in Common

Under tenancy in common, the co-owners own undivided interests; but unlike joint tenancy, these interests need not be equal in quantity. There is no right of survivorship; each tenant owns an interest, and when that owner dies, his or her interest will not pass to the surviving owner(s) but will pass to the deceased owners heirs or as designated in his or her will.

Tenants by the Entireties

Tenants by the entireties is a special form of joint tenancy that exists **for married couples only**. Both owners have an undivided interest in the whole property meaning, one owner cannot unilaterally convey his or her interest in the property; the tenancy cannot be severed except by action of both parties. Upon the death of either, the survivor takes sole ownership.

In Trust

Title to real property may be held in trust. The trustee of the trust holds title pursuant to the terms of the trust.

PREPARING FOR CLOSING

Before Closing

- Once your loan is approved remember to obtain homeowners'/hazard insurance. Please send us proof of insurance before closing.
- You are responsible for the transfer of all utilities into your name. Please call and ensure the transfer of all utilities into your name on the date of closing.
- Schedule your closing date and time. Please call or email as soon as possible to schedule. Please do not schedule movers or time off work until your closing date and time have been confirmed.

What to Bring to Closing

- Unexpired government ID with Photo (i.e., Driver's license, Passport).
- Second Form of ID, if possible.
- **YOU ARE REQUIRED TO WIRE FUNDS TO CLOSING.** Wire instructions will be sent separately and closer to your closing date.

We will make every effort to provide you a final settlement statement (the ALTA statement, described below) 3 days in advance of closing. However, because the final figures come from many sources, including your realtor, lender, and municipality, the settlement statement may not be delivered until the day before closing. The settlement statement will show all fees, pro-rations, taxes and other charges and credits associated with the purchase of the property. The settlement statement will also show the amount needed to bring to closing.

The ALTA Statement

- ALTA: American Land Title Association
- Standardized settlement statements used by title insurance/settlement companies to itemize all fees and charges that both the buyer and seller must pay during the settlement process of a real property transaction.
- Statement to accurately reflect all prorations, receipts, and disbursements made or to be made in relation to the transaction.

AUTHORIZATION

Please be aware, Dayton & Kaikis, PC does not share any personal information, records, or the like, with any third-party unless given permission to do so. To fulfill our commitment to provide you with full service title and settlement services, we work closely with various third-party vendors involved in the property transfer transaction, including but not limited to real estate agents, lenders and mortgage brokers and local government authorities.

PERSONAL INFORMATION:

Purchaser 1-

1. Name: _____
2. Current address: _____
3. Phone Number: _____
4. Email: _____
5. SSN: _____
6. Is this purchaser married? YES NO
7. Will this purchaser be attending closing? YES NO

Purchaser 2-

1. Name: _____
2. Current address: _____
3. Phone Number: _____
4. Email: _____
5. SSN: _____
6. Is this purchaser married? YES NO
7. Will this purchaser be attending closing? YES NO

*If there are more than two purchasers, please include a separate page with details.

WE UNDERSTAND THINGS CHANGE, PLEASE NOTIFY US AS SOON AS POSSIBLE IF A PURCHASER CAN NOT/ WILL NOT BE ATTENDING CLOSING. A LIMITED POWER OF ATTORNEY MAY BE NECESSARY.

MORTGAGE BROKER INFORMATION:

1. Brokerage Company Name: _____

2. Loan Originator Name: _____ Phone Number: _____

3. Email: _____

LENDER INFORMATION:

4. Lender's Name: _____

5. Loan Officer: _____ Phone Number: _____

6. Email: _____

TITLE INFORMATION:

1. Please provide the proper spelling and wording of your name, as you would like it to appear on title:

2. Tenancy Selection (see page 3 for details)

- Sole Owner Joint Tenants Joint Tenants with rights of survivorship
- Tenants in Common Tenants by the Entirety (Married couples only)

3. Title Policy Election

- Standard: \$ Enhanced: \$

Rates are based on **Purchase Price: \$** rates can/will change if the Purchase Price amount changes/differs.

SIGNATURES:

By signing below, I, the undersigned, give permission for Dayton & Kaikis, PC to share relative information with all parties of this real estate settlement transaction, including but not limited to those parties listed above, unless explicitly stated.

Signature

Printed name

Signature

Printed name