



MARYLAND FIRST TITLE

**Residential Title
Services**

Serving You...Protecting
Your investment.



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Maryland First Title is a full service title and escrow company providing comprehensive real property title and settlement services throughout Maryland and Washington, D.C. For over 25 years, Maryland First Title has worked with homeowners, realtors, developers, investors and the lending community. Each treated as if they were our only client.

At Maryland First Title we pride ourselves in providing timely and accurate title work. We are dedicated to our consistent and competitive turnaround time, continually striving to meet your deadlines. Our foremost importance is the customer, making sure your needs are met and your questions answered.

Maryland First Title stays ahead of the competition by maintaining the highest level of professionalism, innovation, and experience. Our team of real estate attorneys and title professionals have closed billions of dollars in real estate transactions. That experience allows for rational and creative solutions to title problems in even the most complex transactions. We are available for closings at your convenience and we work hard to make settlement a stress free experience.

Emile J. Henault III, Esq
President

SIX BASIC STEPS TO TRANSFERRING REAL ESTATE TITLE



1. Title Order

A "Title Order" placed by the Buyer/Agent/Lender starts the process.

2. Tax Check

What taxes are owed on the property? The various assessor/collectors are contacted.

3. Title Search

Copies of documents (e.g., deeds, notes, paving assessments, liens, wills, divorce settlements, etc.) are gathered from various public records.

4. Examination

Legal owner and debts owed are verified.

5. Document Preparation

Forms are prepared for settlement.



Supporting Staff

Administrative assistants, receptionists, messengers, file clerks, claims, legal, accounting and management all work behind the scenes to assure the transaction runs smoothly and efficiently.

6. Settlement

Escrow officer oversees closing of transaction. Seller signs deed; buyer signs new mortgage. Old loan is paid off; new loan is set up. Seller, REALTORS®, attorneys, title company and others are paid.



The Loan Estimate

What is a Loan Estimate?

A Loan Estimate is a three-page form that you receive after applying for a mortgage. The lender must provide you a Loan Estimate within three business days of receiving your application.

The Loan Estimate tells you important details about the loan you have requested including the estimated interest rate, monthly payment, and total closing costs for the loan. The Loan Estimate also gives you information about the estimated costs of taxes and insurance, and how the interest rate and payments may change in the future. In addition, the form indicates if the loan has special features that you will want to be aware of, like penalties for paying off the loan early (a prepayment penalty) or increases to the mortgage loan balance even if payments are made on time (negative amortization). If your loan has a negative amortization feature, it appears in the description of the loan product.

The form uses clear language and design to help you better understand the terms of the mortgage loan you've applied for. All lenders are required to use the same standard Loan Estimate form. This makes it easier for you to compare mortgage loans so that you can choose the one that is right for you.

When you receive a Loan Estimate, the lender has not yet approved or denied your loan application. The Loan Estimate shows you what loan terms the lender expects to offer if you decide to move forward. If you decide to move forward, the lender will ask you for additional financial information.

FICUS BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 2/15/2013
APPLICANTS Michael Jones and Mary Stone
 123 Anywhere Street
 Anytown, ST 12345
PROPERTY 456 Somewhere Avenue
 Anytown, ST 12345
SALE PRICE \$180,000

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT Fixed Rate
LOAN TYPE Conventional FHA VA _____
LOAN ID # 123456789
RATE LOCK NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES • As high as \$3,240 if you pay off the loan during the first 2 years	
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$206 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>
		In escrow? YES YES

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

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The Closing Disclosure

What is a Closing Disclosure?

A Closing Disclosure is a five-page form that provides final details about the mortgage loan you have selected. It includes the loan terms, your projected monthly payments, and how much you will pay in fees and other costs to get your mortgage (closing costs).

The lender is required to give you the Closing Disclosure at least three business days before you close on the mortgage loan. This three-day window allows you time to compare your final terms and costs to those estimated in the Loan Estimate that you previously received from the lender. The three days also gives you time to ask your lender any questions before you go to the closing table.

Next is a sample Closing Disclosure. The names and numbers on your Closing Disclosure will be different, but the form will be the same.

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued 4/15/2013
Closing Date 4/15/2013
Disbursement Date 4/15/2013
Settlement Agent Epsilon Title Co.
File # 12-3456
Property 456 Somewhere Ave
 Anytown, ST 12345
Sale Price \$180,000

Transaction Information

Borrower Michael Jones and Mary Stone
 123 Anywhere Street
 Anytown, ST 12345
Seller Steve Cole and Amy Doe
 321 Somewhere Drive
 Anytown, ST 12345
Lender Ficus Bank

Loan Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA _____
Loan ID # 123456789
MIC # 000654321

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES	• As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26	\$967.91
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$356.13 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
		In escrow? YES YES NO

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$1,802.00				
01 0.25 % of Loan Amount (Points)	\$405.00				
02 Application Fee	\$300.00				
03 Underwriting Fee	\$1,097.00				
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$236.55				
01 Appraisal Fee to John Smith Appraisers Inc.					\$405.00
02 Credit Report Fee to Information Inc.		\$29.80			
03 Flood Determination Fee to Info Co.	\$20.00				
04 Flood Monitoring Fee to Info Co.	\$31.75				
05 Tax Monitoring Fee to Info Co.	\$75.00				
06 Tax Status Research Fee to Info Co.	\$80.00				
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$2,655.50				
01 Pest Inspection Fee to Pests Co.	\$120.50				
02 Survey Fee to Surveys Co.	\$85.00				
03 Title – Insurance Binder to Epsilon Title Co.	\$650.00				
04 Title – Lender's Title Insurance to Epsilon Title Co.	\$500.00				
05 Title – Settlement Agent Fee to Epsilon Title Co.	\$500.00				
06 Title – Title Search to Epsilon Title Co.	\$800.00				
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	\$4,694.05				
Loan Costs Subtotals (A + B + C)	\$4,664.25	\$29.80			
Other Costs					
E. Taxes and Other Government Fees	\$85.00				
01 Recording Fees Deed: \$40.00 Mortgage: \$45.00	\$85.00				
02 Transfer Tax to Any State			\$950.00		
F. Prepays	\$2,120.80				
01 Homeowner's Insurance Premium (12 mo.) to Insurance Co.	\$1,209.96				
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (\$17.44 per day from 4/15/13 to 5/1/13)	\$279.04				
04 Property Taxes (6 mo.) to Any County USA	\$631.80				
05					
G. Initial Escrow Payment at Closing	\$412.25				
01 Homeowner's Insurance \$100.83 per month for 2 mo.	\$201.66				
02 Mortgage Insurance per month for mo.					
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60				
04					
05					
06					
07					
08 Aggregate Adjustment	- 0.01				
H. Other	\$2,400.00				
01 HOA Capital Contribution to HOA Acre Inc.	\$500.00				
02 HOA Processing Fee to HOA Acre Inc.	\$150.00				
03 Home Inspection Fee to Engineers Inc.	\$750.00			\$750.00	
04 Home Warranty Fee to XYZ Warranty Inc.			\$450.00		
05 Real Estate Commission to Alpha Real Estate Broker			\$5,700.00		
06 Real Estate Commission to Omega Real Estate Broker			\$5,700.00		
07 Title – Owner's Title Insurance (optional) to Epsilon Title Co.	\$1,000.00				
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	\$5,018.05				
Other Costs Subtotals (E + F + G + H)	\$5,018.05				
J. TOTAL CLOSING COSTS (Borrower-Paid)	\$9,712.10				
Closing Costs Subtotals (D + I)	\$9,682.30	\$29.80	\$12,800.00	\$750.00	\$405.00
Lender Credits					

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$8,054.00	\$9,712.10	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	– \$29.80	YES • You paid these Closing Costs before closing
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	– \$2,500.00	YES • See Seller Credits in Section L
Adjustments and Other Credits	\$0	– \$1,035.04	YES • See details in Sections K and L
Cash to Close	\$16,054.00	\$14,147.26	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing	\$189,762.30
01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$9,682.30
04	
Adjustments	
05	
06	
07	
Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to	
09 County Taxes to	
10 Assessments to	
11 HOA Dues 4/15/13 to 4/30/13	\$80.00
12	
13	
14	
15	
L. Paid Already by or on Behalf of Borrower at Closing	\$175,615.04
01 Deposit	\$10,000.00
02 Loan Amount	\$162,000.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	\$2,500.00
Other Credits	
06 Rebate from Epsilon Title Co.	\$750.00
07	
Adjustments	
08	
09	
10	
11	
Adjustments for Items Unpaid by Seller	
12 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
13 County Taxes to	
14 Assessments to	
15	
16	
17	
CALCULATION	
Total Due from Borrower at Closing (K)	\$189,762.30
Total Paid Already by or on Behalf of Borrower at Closing (L)	– \$175,615.04
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$14,147.26

SELLER'S TRANSACTION

M. Due to Seller at Closing	\$180,080.00
01 Sale Price of Property	\$180,000.00
02 Sale Price of Any Personal Property Included in Sale	
03	
04	
05	
06	
07	
08	
Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to	
10 County Taxes to	
11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13	
14	
15	
16	
N. Due from Seller at Closing	\$115,665.04
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	\$12,800.00
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	\$100,000.00
05 Payoff of Second Mortgage Loan	
06	
07	
08 Seller Credit	\$2,500.00
09	
10	
11	
12	
13	
Adjustments for Items Unpaid by Seller	
14 City/Town Taxes 1/1/13 to 4/14/13	\$365.04
15 County Taxes to	
16 Assessments to	
17	
18	
19	
CALCULATION	
Total Due to Seller at Closing (M)	\$180,080.00
Total Due from Seller at Closing (N)	– \$115,665.04
Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender

- will allow, under certain conditions, this person to assume this loan on the original terms.
- will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

- will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID			Z765416	Z61456	Z61616
Contact	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
Contact NMLS ID	12345				
Contact ST License ID			P16415	P51461	PT1234
Email	joesmith@ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
Phone	123-456-7890		123-555-1717	321-555-7171	987-555-4321

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature

Date

Co-Applicant Signature

Date

CLOSING DISCLOSURE

PAGE 5 OF 5 • LOAN ID # 123456789



Why you need title insurance

Other types of insurance coverage focus on possible future events and charge an annual premium - such as flood insurance or hazard insurance that safeguard against loss from wind damage. Title insurance protects against loss from hazards and defects already existing in the title and is purchased with a one-time premium.

Title search and examination is the first step.

Insuring a home's title begins with a search of public land records affecting the property. The title agent or attorney working on behalf of the underwriter examines pertinent documents to determine whether the property is insurable. Those documents include deeds, wills, trusts, outstanding mortgages and judgments, property liens, highway or utility line easements, pending legal actions and notary acknowledgements.

When title problems are disclosed during the search process, they are corrected whenever possible to avoid future claims. According to surveys done by the American Land Title Association® (ALTA), title problems consistently arise in one out of three real estate transactions (36%).

A corrective process is vital to curing title problems.

The process of performing title searches and curing title problems does not come cheap. Industry studies find that title insurers spend an average of 92 cents out of every premium dollar as their cost of doing business.

The most common actions to cure title defects include:

- Releases/pay-offs for liens - 33%
- Releases/pay-offs for deeds/mortgages - 19%
- Typographical corrections (names, addresses, legal descriptions) - 17%
- Clearing estate/family issue - 11%
- Clearing physical property issues - 7%

What if a problem is hidden or missed?

After all this searching and examination, a title problem may still be hidden or missed, such as:

- A forged signature on a deed
- An expired or forged power of attorney used during a property transfer
- An incorrect public record

In each of these cases and many more, when there is appropriate title insurance coverage, a policy will offer financial protection. The title insurer defends the title and either perfects the title or pays valid claims.

“title problems consistently arise in one out of three real estate transactions (36%).”

Why do lenders need it?

Lenders require the homeowner to purchase title insurance, just as they call for fire insurance and other types of coverage to protect their financial investment in the property. A lender’s policy insures that the mortgage is valid and the lien priority is correct. In addition, title insurance is required for lenders who package and sell their loans in the secondary mortgage market.

For the homeowner to be covered, he or she must purchase an owner’s policy in addition to the required lender or mortgagee policy.

A separate owner’s policy is the best policy.

Owner’s title insurance lasts as long as the policyholder or his or her heirs have an interest in the property - maybe even after the homeowner has sold the property. It is either purchased for an additional premium or an owner may pay a simultaneous issue charge (usually a smaller amount) for the separate lender coverage.

Why title insurance?

Title insurance was first issued in 1871 to enable speed and efficiency when property is conveyed, or legally transferred from one owner to another. Because of title insurance, real estate is more marketable and thus more valuable. It has worked so well to protect buyers and lenders against defects in legal ownership that it is spreading around the world, with Stewart as a primary stimulus of that global growth.

Therefore, while the title industry in many states closes the transaction, handles the escrow and records the documents, it also works to make the title searches even faster, better and more cost-effective. The role of title insurance to fix problems and pay claims is crucial to the marketability of real estate.

Contact us for information about title insurance and to learn more about our company.



Escrow/Impound Account

What is an Escrow or Impound Account?

An escrow account (sometimes called an impound account depending on where you live) is set up by your mortgage lender to pay certain property-related expenses on your behalf like property taxes and homeowner's insurance.

Because bills for taxes and insurance can be large and infrequent (typically once or twice per year), many homeowners prefer to pay them in monthly installments along with their mortgage payment.

Many lenders require that you pay your taxes and insurance using escrow, so they can make sure that the bill gets paid and the property is not at risk. Your mortgage servicer will manage the escrow account and pay these bills on your behalf. Sometimes, escrow accounts may also be required by law. Your property taxes and insurance premiums can change from year to year. Your escrow payment - and with it, your total monthly payment will change accordingly.

TIP: If your loan doesn't include an escrow account, you will have to plan to pay these large expenses yourself. Be sure you budget for these extra costs and stay current on your taxes and insurance payments.

Warning: If you fail to pay your property taxes, your state or local government may impose fines and penalties or place a tax lien on your home. You could also face foreclosure. In addition, if you fail to pay your taxes or insurance, your lender may:

- Add the amounts to your loan balance
- Add an escrow account to your loan
- Purchase new homeowners' insurance for you and bill you for it. This lender-purchased insurance, known as force-placed insurance, is typically more expensive than regular homeowners' insurance. It only protects the lender, not you, in the event of damage to your home.



Short Sales

What is a Short Sale?

A short sale is a sale of your home for less than what you owe on your mortgage. A short sale is an alternative to foreclosure, but requires you to leave your home.

If your lender or servicer acting on the lender's behalf agrees to a short sale, you may be able to sell your home to pay off your mortgage, even if the sale price or proceeds turn out to be less than the balance remaining on your mortgage.

Because you may be responsible for any deficiency between the sale price for your home and the amount you still owe on your mortgage loan, you will want to ask your lender or servicer acting on your lender's behalf to waive the deficiency before you go through with a short sale. The deficiency is the difference between the amount owed on a loan and the total amount collected from the sale proceeds. In some states, after a short sale, your lender could sue you to collect the amount of the deficiency. Getting a waiver of deficiency means that the lender waived the right to collect this amount. If the lender waives of the deficiency, get the waiver in writing and keep it.

If you choose this option, we recommend consulting an attorney to help you through the process. An experienced attorney can help you avoid huge deficiency debt and can discuss alternatives such as Loan Modification that may be available from your Lender. The Law Offices of Henault & Sysko, Chartered is experienced in facilitating Short Sale transactions and alternative resolutions. Call for or a free consultation: (410) 768-9300.





stewart
Vetted and verified.

We've been
vetted and
verified by the
best.

As part of the Stewart agency network, we've undergone the most rigorous vetting process in the industry, and the Stewart Trusted Provider™ seal is proof that we've been vetted and verified by Stewart Title Guaranty Company.

In order to obtain the elite status of a Stewart Trusted Provider, we must:

- Pass an intensive initial due-diligence screening, including a third-party audit by Deloitte, LLP
- Conduct business according to Stewart's stringent Independent Agency Standards
- Undergo strict ongoing monitoring that includes regular Deloitte® audits based upon risk model scoring and quarterly visits from a Stewart Agency Services manager

The seal is also a symbol of our preparedness for the new regulatory environment you face as part of the Consumer Financial Protection Bureau® rule for mortgage disclosures. You can have full confidence in our ability to meet your needs and satisfy the applicable regulations. And, most importantly, you can count on us to provide you with a quality experience throughout the transaction and the security you deserve.

Lenders and consumers can depend on title agencies and attorney agents exhibiting the Stewart Trusted Provider seal to provide them with a quality experience throughout the real estate transaction process consistent with the coverage provided in Stewart's Closing Protection Letters and Policies of Title Insurance as issued.

Our team of experienced professionals is ready to listen to your needs and work with you to find the right title solutions.



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