Title Insurance Policy: Who And What Is Covered Under It?

There are many grueling tasks involved with the purchase of a new home, from hiring a real estate agent to applying for a mortgage and establishing your budget. One thing that many people don't consider during this process is whether or not to get title insurance. You may not even understand what title insurance is, or how it affects you. In fact, a title insurance policy can save you from expensive financial complications.

Who Is Protected?

So, who is protected? Title insurance protects both lenders and buyers against any financial loss over the title of a property. A lender will require the homeowner to purchase title insurance, just as they require fire insurance and other types of coverage to protect their investment in the property. The owner's policy will also protect them against specific types of claims that may be listed in the policy.

What Is Covered?

Title insurance protects you and/or your lender against losses resulting from claims against the ownership of your property. It is different from other property insurance coverage like fire and natural disaster insurance. Title insurance protects against payments or debt that were acquired before the purchase of that property. It prevents potential financial loss that may result from claims against your title.

Your Trusted Legal Experts

If you're looking for trusted legal experts to help with your title insurance policy, DaMore Law has you covered. DaMore Law has been representing buyers, sellers, and lenders for over 20 years. We know buying or selling a home is a significant undertaking, which is why

our professional team is here to ensure the process moves as smoothly as possible. Call us to set up an appointment.

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4 Crucial Areas Covered By Title Insurance

Without title insurance, new homeowners are vulnerable to legal issues that could ruin one of their most significant milestones. This one-time cost offers protection against last-minute matters on the day of closing and long-term security for the years ahead. Here are four crucial areas covered by title insurance.

1. Forgeries

First-time buyers are often easy prey for fraudulent sellers. You could buy a property that has falsified documents in a worst-case scenario. If the previous owner forges the title, you cannot legally claim ownership of the home. Title insurance protects your purchase if the seller is dishonest during the transaction.

2. Liens

Imagine you have happily bought a new home, only to find out later that the previous owner never paid their contractor bills. As the new titleholder, these costs fall on your shoulders. Now you’re stuck with expenses the seller purposefully kept hidden from you.

Lingering title issues are called liens, and they can quickly tarnish your purchase. Title insurance covers liens, including unpaid taxes, equity, and other unresolved bills so you avoid inheriting their mistakes.

3. Errors During Filing

Your closing should be stress-free and exciting. Filing errors at the

last minute can throw a wrench into the entire transaction, resulting in expensive, lengthy legal disputes. Title insurance guarantees your documents are handled with care so you can rest easy knowing that your transaction is proceeding as planned.

4. Conflicting Wills & Unknown Heirs

There are times when the sale of a property and the previous owner's will are in conflict. If that happens, an intense legal battle could occur. An unknown heir might argue they have the rightful claim to the home or its assets. Title insurance shields you from issues with their preexisting wills so you can safely claim ownership.

Trusted Experience To Protect Your Rights

DaMore Law is your path to a clear title and successful closing. With over twenty years of real estate experience, our experts ensure you are thoroughly protected every step of the way. Contact us today to learn more about our buyer, seller, and lender services.

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3 Things To Know About Settlement Statements Before Closing

Settlement Statements

Are you hoping to close on a new home in the near future? While closing is a very exciting time and a major milestone, it can also be a complex process. Luckily, DaMore Real Estate Law gives you all the expertise, knowledge, and care you need. One component of the closing process is settlement statements. Let us take a look at 3 things to

know about settlement statements before closing.

Closing Disclosure

When you are in the process of closing, you will receive a settlement statement. They arrive three days before closing from your lender. This document is commonly known as the "closing disclosure." Essentially, this is for buyers to review in advance **before** closing.

What's Included

This closing disclosure walks you through everything important in your home purchase. This includes mortgage payments, the terms of the loan, and any additional fees that require payment. Hence, these are called "closing costs."

Cash For Closing

Sometimes, cash is required in the closing process. The settlement statement you receive will let you know how much if any, cash is needed at the closing table. However, the term "cash for closing" can be a little misleading. It does not necessarily mean bringing paper money to the closing. In fact, it usually requires a check. Instead, "cash for closing" refers to the actual amount of money you pay at the closing to complete the purchase.

Peace Of Mind While Closing

These are just 3 things to know about settlement statements before closing on your home. At DaMore Real Estate Law, we know the world of real estate can be complex. That is why we are here to give you peace of mind in your closing process. Contact us today to learn more about how we can help you with all things real estate!

What is a Clear to Close for MA Home Purchases?

If you are using a mortgage for a MA home purchase, obtaining a clear to close is very important. It means that your loan has met all of the mortgage underwriting conditions. Up until that point, things still remain uncertain to some extent. Here's what you should know about getting a clear to close if you're nervously waiting for your closing.

When is a clear to close issued?

Lenders do not issue a clear to close until all mortgage underwriting conditions have been met. Some of these conditions can not be completed until shortly before closing. For example, lenders often obtain a verbal verification of employment 7-10 days before closing. They may also re-check your credit to verify that nothing has changed. Because of these last minute items, a clear to close may not be issued until a week or even just a day before closing. Waiting for this news can be extremely stressful for everyone involved. It is important to understand why a clear to close happens so late in the process and that it is perfectly normal.

What happens after a clear to close?

After a clear to close has been issued, mortgage files are sent to the closing attorney. The attorney must prepare the documents to be signed, closing figures, and other documents for the lender to review. Corrections may need to be made before the closing documents are ready to be signed by the buyer and seller.

When can I schedule my closing?

Some closing attorneys prefer to wait for the clear to close before scheduling a definitive closing date and time for MA home purchases. Most attorneys will gladly select a tentative date, with the understanding that it may change depending on when the clear to close is issued and files are received from the lender.

Items Needed at Home Closings in MA

Your closing is approaching. Congrats! Here are a list of items needed at home closings in MA. Keep this in mind to prevent any last minute delays at the closing table.

Buyer Items Needed at Home Closings

Home buyers have a few important items to bring to closing. First, a legal form of identification such as a driver's license or passport is required. This is needed by the closing attorney to confirm your identity before signing legal documents. If you owe money at closing for your down payment or closing costs, bring the funds in the form of a certified check. For large sums, you may make arrangements ahead of time to wire funds to the closing attorney. Lastly, be sure to also bring your checkbook in case there are any last minute adjustments to the closing figures.

Seller Items Needed at Home Closings

Similar to home buyers, home sellers also need a legal form of identification at closing. Keys are normally handed to the buyers, so don't forget to bring all copies that you may have of keys to the home. Sometimes the P&S agreement may list items due to the buyer on or before closing, such as warranty paperwork or receipts for repairs. Be sure to bring those with you as well. Lastly, sellers in the state of Massachusetts are responsible for furnishing a smoke certificate, final utility bills/readings, and deed. Your real estate agent or attorney may have these items covered, but it's a good idea to confirm with them.

Prevent Closing Delays

Being aware of items needed at home closings in MA ensures that you

will arrive fully prepared. Failure to do so could delay the closing. If your closing is scheduled to take place in the afternoon, a delay could result in not being able to go on record at all that given day, which also means that keys and funds will not be fully exchanged. This could have a domino effect for other closings or moving plans that you may have in place. Come prepared and you will eliminate the extra stress and headache of a delay!

Avoid Closing Delays in Massachusetts | MA Homebuyer Tips

As you go through the process of buying home, the closing date is what you look forward to most. It marks the end of the home buying process and the start of the homeownership journey. You plan so many things around that special date,… packing, moving, child care, days off from work, etc. Closing delays can therefore be very stressful. Here are a few ways to keep your real estate transaction on track and avoid closing delays in Massachusetts.

Understand Mortgage Timelines

Before submitting an offer on a home, make sure that either you or your real estate agent checks in with your lender. Find out how much time the lender needs to issue mortgage commitments and schedule closings. Knowing this information ahead of time will avoid delays later on in the process.

Provide Financial Paperwork Early

Your lender may have only asked for preliminary paperwork to prepare your pre-approval. More extensive financial documents (tax returns, bank statements, paystubs, etc.) are typically needed to process your loan. Make sure you know what they require and provide those

documents as early in the process as possible. This will save significant time later and avoid unnecessary delays.

Submit Disclosure Documents ASAP

Changes in mortgage laws require your lender to follow certain timelines when it comes to paperwork and closings. When your lender sends you disclosures to sign, be sure to do so right away. Consider faxing back or dropping off paperwork rather than sending it via snail mail. It's possible that they are waiting for that documentation in order to proceed with the next steps. This is particularly important if you have a short timeframe for the mortgage commitment and/or closing.

Don't Submit Last Minute Changes

Your loan must go through underwriting review for approval. Any changes that affect the financial figures will require your loan to go back through this underwriting process, which can be time consuming. For example, changing the amount borrowed, down payment percentage, contributions to closing costs, amount of closing costs rolled into the loan, or loan program directly impacts the figures and loan processing. Discuss all options and make decisions when you first submit your application to avoid closing delays.

More on How to Avoid Closing Delays in Massachusetts

Understanding the process and what is required of you as a homebuyer can help avoid closing delays in Massachusetts. Always submit requested documentation promptly to your lender and try not to make last minute changes after you've submitted your loan. This ensures that everything can stay on track with your loan approval and your closing.

Home Buyer To-do's Prior To Closing | MA Home Buyers

Home Buyer To-do's Prior To Closing, Initiate Utility Service, Register Children for School Update Auto Insurance Change Address

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New Construction Home Loans Basics | MA New Construction

New Construction Home Loans Basics, Paperwork Required for New Construction Home Loans, Appraisal Process – tips written by Peter Damore at Law Offices of Peter T. Damore Jr.

Burlington MA Real Estate Scheduling Of Closings

Introduction to Burlington MA real estate scheduling of closings written by Peter Damore at Law Offices of Peter T. Damore Jr.

Details Of Pre-paid Expenses And

Escrows For Burlington MA Loan Closings

Details Of Pre-paid Expenses And Escrows For Burlington MA Loan Closings, provided by Peter Damore at Law Offices of Peter T. Damore Jr.