

Homeowner Education Class Title Insurance and Closing Process



Information provided in partnership with
Jennifer Duca, Citrus Title Company LLC



Training objectives for this class:

- Learning in advance what legal documents you will sign on closing day
- Understand what mortgage related information is included in your loan estimate and closing disclosures.
- Understand what escrow is and what types of expenses may be directed to an escrow account.

What is Title Insurance?

- A clear title is necessary for any real estate transaction.
- Title Insurance protects lenders and buyers from financial loss due to defects in a title to a property.
- This one-time cost protects you from unknown past claims and the expenses to correct any such title defect.
- The most common claims against a title:
 - Back taxes
 - Liens
 - Conflicting wills



Why is it important?

- Title Insurance safeguards you from:
 - Unknown creditors/ liens
 - Forgeries
 - Ownership by another part
 - Restrictive covenants- easements
 - Record errors



Information the title company may ask for:

- Marital Status
- Will there be a Power of Attorney used for closing?
- Will you and your spouse attend the closing or will you or your spouse be a mail-away?
- Will you be getting a survey or is there an existing survey?
- Your Contact information
 - Address, Phone number and Email address



The Title Commitment

- **Schedule A – Basic transaction information**

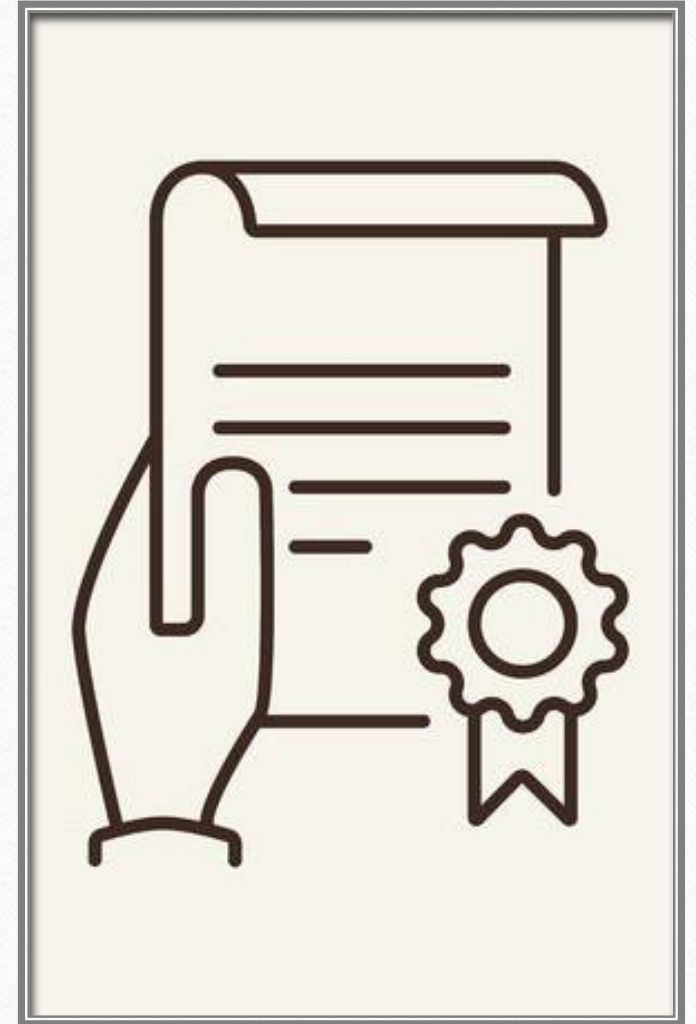
- States the effective date of the policy
- The Amount of Coverage
- State the Name of the Insured
- Shows the loans/mortgages covered under the policy
- States the estate or interest in the land
- Shows the legal description of the property

- **Schedule B – Exceptions & Requirements**

- Broken into two parts B-I and B-II
- B-I – Lists the requirements which must be complied with
- B-II - Lists the standard exceptions that the title policy will not cover and lists the specific issues that could impact the usefulness of the property such as:
 - Easements
 - Restrictive Covenants
 - Right-of-way

The Title Policy

Once all the requirements and exception are addressed, the Title company can provide the title policy, through their underwriter.

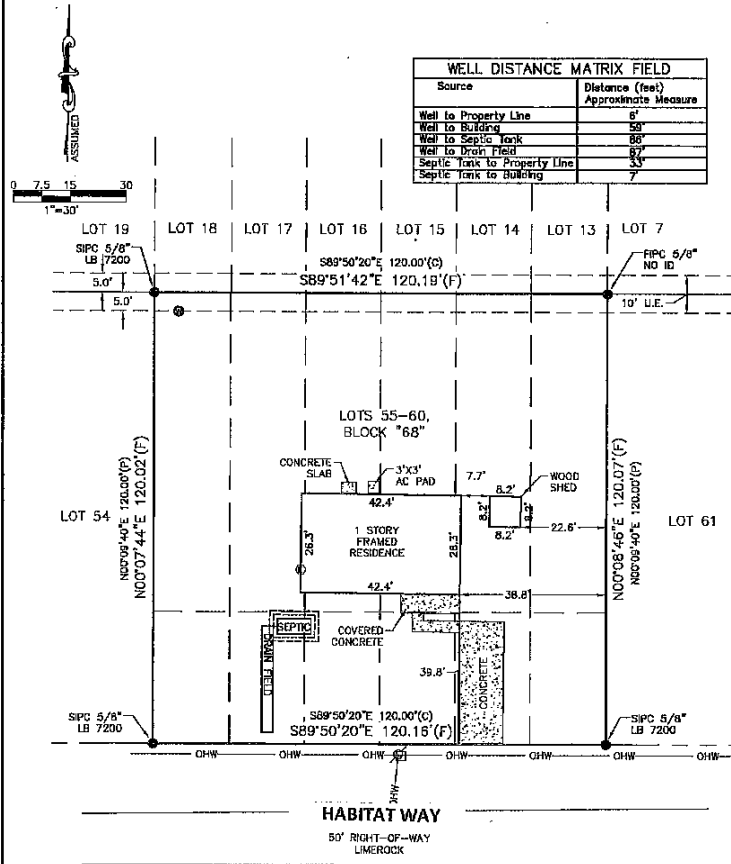


Property Survey

Protect your investment, know exact property dimensions, size and location of the home on the property and reveal other improvements, easements or encroachments crossing a property line

DESCRIPTION

LOTS 55-60, BLOCK "68", ANYTOWN
UNIT NO. 2, ACCORDING TO THE
MAP OR PLAT THEREOF AS RECORDED IN PLAT
BOOK 2, PAGES 97-102, OF THE PUBLIC
RECORDS OF CITRUS COUNTY, FLORIDA.



SAMPLE

LEGEND AND ABBREVIATIONS

- C1 = SEE CURVE TABLE
- (C) = CALCULATED
- (P) = PLAT
- (F) = FIELD MEASURED
- U.E. = UTILITY EASEMENT
- ⊠ = ELECTRIC BOX
- ⊠ = ELECTRIC TRANSFORMER
- ⊠ = ELECTRIC TRANSFORMER
- ⊠ = WELL
- ⊠ = SANITARY MANHOLE
- ⊠ = UTILITY SPLICE BOX
- ⊠ = ELECTRIC METER
- = FOUND IRON PIN AND CAP (AS SHOWN)
- = SET IRON PIN AND CAP (AS SHOWN)
- = FOUND NAIL AND DISK (AS SHOWN)
- = FOUND CONCRETE MONUMENT (AS SHOWN)
- FIPC = FOUND IRON PIN AND CAP
- SIPC = SET IRON PIN AND CAP
- FN&D = FOUND NAIL AND DISK
- FCM = FOUND CONCRETE MONUMENT

SURVEY NOTES:

- BEARINGS ARE BASED ON THE NORTH RIGHT OF WAY LINE OF EAST MICHAEL STREET, ESTABLISHING AN ASSUMED BEARING OF N89°50'20"W AS SHOWN ON THE PLAT OF RECORD.
- DESCRIPTION AS SHOWN HEREON WAS PROVIDED.
- BASES FOR SURVEY IS DESCRIPTION, RECORD PLAT, AND MONUMENTATION FOUND IN PLACE.
- NO UNDERGROUND INSTALLATIONS OR IMPROVEMENTS HAVE BEEN LOCATED EXCEPT AS NOTED.
- THIS SURVEY IS OF VISIBLE FEATURES ONLY. UNDERGROUND ENCROACHMENTS, IF ANY, WERE NOT LOCATED.
- ADDITIONS, DELETIONS REPRODUCTION OF SURVEY DRAWINGS BY OTHER THAN THE SIGNED PARTY OR PARTIES IS PROHIBITED BY LAW WITHOUT WRITTEN CONSENT OF THE SIGNED PARTY OR PARTIES.
- THIS SURVEY MAP IS VALID ONLY TO THOSE PERSONS OR ENTITIES NAMED HEREON. COASTAL ENGINEERING ASSOCIATES, INC. WILL ASSUME NO RESPONSIBILITY FOR THE UNAUTHORIZED REPRODUCTION AND/OR REDISTRIBUTION OF THIS SURVEY MAP.
- ELEVATIONS AS SHOWN HEREON, IF ANY, ARE BASED ON THE NORTH AMERICAN VERTICAL DATUM OF 1988.
- PROPERTY LIES IN SECTION 2, TOWNSHIP 19 SOUTH, RANGE 19 EAST, CITRUS COUNTY, FLORIDA.
- THIS SURVEY WAS CONDUCTED WITHOUT THE BENEFIT OF A COMPLETE TITLE REPORT OR TITLE ABSTRACT AND THEREFORE MAY NOT NECESSARILY SHOW ALL RIGHTS, EASEMENTS OR OTHER ENCUMBRANCES OF RECORD.
- THE PROPERTY AS SHOWN HEREON HAS A STREET ADDRESS OF 123 ANY STREET, ANYTOWN, FLORIDA (AS FURNISHED).
- THE EXPECTED USE OF THE PROPERTY AS DESCRIBED HEREON, AS CLASSIFIED IN THE STANDARDS OF PRACTICE (54-17) OF THE FLORIDA ADMINISTRATIVE CODE, IS "SUBURBAN". THE MINIMUM RELATIVE DISTANCE ACCURACY FOR THIS TYPE OF BOUNDARY SURVEY IS 1 FOOT IN 7,500 FEET. THE ACCURACY OBTAINED BY MEASUREMENT AND CALCULATION OF A CLOSED GEOMETRIC FIGURE WAS FOUND TO MEET OR EXCEED THIS REQUIREMENT.
- THE PROPERTY DESCRIBED HEREON APPEARS TO BE IN FLOOD ZONE X (AREA DETERMINED TO FALL OUTSIDE OF THE 0.2% CHANCE ANNUAL FLOODPLAIN) AS SCALED FROM THE FLOOD INSURANCE RATE MAP COMMUNITY NUMBER 120083, MAP NUMBER 120170, PANEL NUMBER 0332-D, EFFECTIVE DATE 09/26/2014.

PROJECT NO. 19501-15		DATE 11/22/19		SURVEYOR GWS		DRAWN BY JMP		FIELD DATE 11/5/19		FIELD VOL. 334/35		SURVEY CREW TC/DC	
HOME BUYER NAME HABITAT FOR HUMANITY OF CITRUS COUNTY, INC. CAPITAL CITY BANK FIRST AMERICAN TITLE INSURANCE COMPANY		Certified to: 		Coastal engineering associates, inc.		3703 East Forest Drive Inverness, FL 34453 Office: 352-796-9423 EB-0000142		FLORIDA CERTIFICATE OF AUTHORIZATION NO. 7200		DATE SIGNED 06/26/2020 		SIGNATURE 	



Survey Checklist



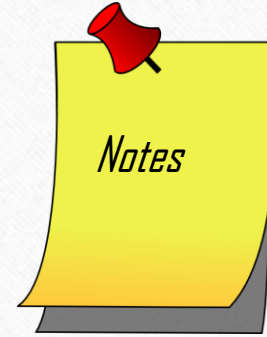
- ✓ **CERTIFICATION DATE** - Must be within 90 days of closing date, if older, the survey must be updated. For refinances, obtain a survey affidavit along with the survey or an owner's policy with survey exceptions removed.
- ✓ **CERTIFIED TO** – The current survey must be certified to the insured, title agent, FNFIC and the lender.
- ✓ **SURVEYOR'S CERTIFICATION** – Names, address, license number, surveyor's signature, and raised seal
- ✓ **SCALE AND NORTH ARROW** – Stated or graphic scale and north arrow prominently shown.
- ✓ **ACCESS TO PROPERTY** – VERY IMPORTANT!! If no access to and from property it is not insurable. Access must have access to and from property via street or access easement
- ✓ **VERIFY LEGAL DESCRIPTION** – Verify the Lot/Block and the Book/Page of the plat; or compare the metes and bounds description against the deed; compare the written description against the drawing; and check the survey for any differences in recorded (R) vs. measures (M) distances

Survey Checklist



- ✓ **BOUNDARY LINES** – The survey should depict boundary lines as well as all visible encroachments: overhangs, driveways, or easements; sidewalks; signs benefiting land other than property (may indicate an unrecorded lease); power lines not contained within and easement, nor for exclusive benefit of the property; fences for benefit of land other than the property or within easement; pools/decks located within easements; setback lines; etc.
- ✓ **LOT LINE ENCROACHMENTS** – Survey should depict location of property in relation to surrounding areas and boundary lines. Check for any encroachments into or out of the property. (i.e. fences, docks, driveways, etc.)
- ✓ **EASEMENT ENCROACHMENTS** - Locate and check the easements, if any, for structures that extend into them. If easements are to be insured, check to be sure they are accurately drawn and depicted on the survey. Survey accurately depicts all recorded public and private rights-of-way.
- ✓ **SETBACK ENCROACHMENTS** - locate and check the building setback lines, if any, for any structures that extend into them.

Survey Notes



Carefully review the survey for these “NOTES”. They are placed on the survey in extremely inconspicuous locations and they can be VERY DANGEROUS! Contact underwriting if you see any of these:

- Underground power lines not shown
- Legal furnished by others,
- Improvements not surveyed,
- Location approximate
- Deeded legal description does not match
- The survey depicted here is not covered by professional liability insurance





RED FLAGS

Check survey for other information that might indicate the existence of potential problems:

- overhead telephone/power lines that are not in an easement,
- outbuildings,
- double monuments,
- buildings under construction,
- cemeteries or burial grounds,
- signs,
- mobile homes





Closing Process

- When your home is complete, your closing and home dedication will be schedule through Family Services.
- You must have completed:
 - Your sweat equity hours
 - Paid your closing costs
- Prior to Closing you will meet with a Family Services representative to review the closing documents.

Closing Process

(continued)



At Closing you will review and sign:

- Settlement Statement
- Mortgage Deed & Security Agreement
- Quit-Claim Deed/Corporate Deed/Warranty Deed
- Legal Description
- Authorization to Close
- Purchaser/Owner Affidavit
- Waiver of Lien
- Notice of Termination
- Compliance Agreement
- Buyer's Acknowledgement
- Title Insurance
- Promissory Note



Types of ID

Acceptable Forms of Identification

- Valid US driver's license or State Issued ID card
- U.S. Passport
- Valid U.S. Military ID
- Foreign Passport with supporting documents
- Out of State US photo driver license
- Valid Canadian or Mexican Driver's License issued by the Official Agency
- Foreign Passport Stamped by the U.S. Citizenship and Immigration Services (USCIS)

The names **MUST** match what is on the contract, if something has changed, proper documentation will be required to support the change.

Homestead Exemption

- Homestead exemption is one of the greatest benefits for homeowners in Citrus County. This exemption could provide you with an approximate annual savings of \$500.
- Every Person who:
 - owns real property in Citrus County on January 1,
 - makes the property his or her permanent residence,
 - and files an application which must include all required documents
- may receive a property tax exemption up to \$50,000. The first \$25,000 applies to all property taxes. *The added \$25,000* applies to assessed value over \$50,000 and only to non-school taxes.
- The deadline filing date for Homestead exemption is **March 1st** of the year in which you wish the exemption to begin. Homeowners who owned and occupied their residence after January 1 are encouraged to pre-file an application for the next year.
- You can file for your exemption online at www.citruspa.org or at one of the Property Appraiser locations.



CITRUS COUNTY PROPERTY APPRAISER

"Our mission is to produce fair and equitable property assessment rolls while delivering outstanding service." -Cregg E. Dalton



CitrusCountyFLPropertyAppr



Inverness Office: 210 N Apopka Ave.
Ste 200 Inverness, FL 34450
Crystal River Office: 1540 N Meadowcrest Blvd.
Ste 400 Crystal River, FL 34429



Monday- Friday
Inverness 8:30am-4pm
Crystal River 8am-5pm



(352) 341-6600



citruspa.org

Property Tax Exemptions

As a property owner in Florida, homestead exemption is one way to reduce the amount of real estate taxes you pay on your residential property. In the State of Florida, if you own property and make the property your permanent residence as of January 1st of the tax year, you may qualify for homestead exemption and save hundreds of dollars. The deadline to file for the Homestead exemption is March 1st. Homestead exemption is \$25,000 deducted from your assessed value before the taxes are calculated plus an additional homestead exemption up to \$25,000 applied to the assessed value above \$50,000. The additional exemption does not apply to school taxes. The year after you qualify for homestead exemption, your assessed value cannot increase more than 3% per year, or the increase in the consumer price index (CPI), whichever is lower. If you move, your homestead exemption does not automatically follow to your new residence, you would need to reapply. In Citrus County, most homeowners save on average \$400-\$600 each year.

REQUIRED DOCUMENTS NEEDED TO APPLY FOR HOMESTEAD:

- Proof of ownership (deed).
- Social Security Card/Number.
- Permanent Resident Card (if you are not a U.S. Citizen).
- Proof of no exemptions/tax credits/ etc. on any property you own out of the State of Florida.
- Reflecting the Homestead Address:
 - Florida Drivers License or Florida ID Card.
 - Florida Voter Registration Card (if you are a voter).
 - Florida Vehicle Registration (if you own a vehicle).

OTHER EXEMPTIONS AVAILABLE:

INDIVIDUAL EXEMPTIONS:

- Widowed
- Blind
- Totally & Permanently Disabled
- Totally & Permanently Disabled
 - Quadriplegic
- **Totally & Permanently Disabled - *Limited Income***
 - Hemiplegic
 - Paraplegic
 - Wheelchair required for mobility
 - Legally Blind

VETERANS AND ACTIVE DUTY MILITARY EXEMPTIONS:

- Combat Disabled Veteran Discount - age 65 and older.
- Veteran, disabled 10% or more.
- Veteran confined to wheelchair, service-connected, totally disabled.
- Service-connected, totally and permanently disabled veteran or surviving spouse.
- Surviving spouse of veteran who died while on active duty.
- Deployed Military.

OTHER:

- Surviving spouse of first responder who died in the line of duty.
- First Responder totally and permanently disabled in the line of duty or surviving spouse.

SPECIAL NOTES:

*IF TITLE TO THE PROPERTY ON WHICH YOU ARE APPLYING IS HELD IN A TRUST, A COPY OF THE TRUST MAY BE REQUESTED WITH THE APPLICATION.
*IF YOU ARE APPLYING ON A MOBILE HOME, PROOF OF OWNERSHIP IS REQUIRED FOR BOTH THE MOBILE HOME (IF THE TITLE TO THE MOBILE HOME HAS NOT BEEN RETIRED) AND THE LAND. PLEASE BRING YOUR REAL PROPERTY REGISTRATION OR TITLE TO OUR OFFICE WHEN COMPLETING THIS APPLICATION.

File online today at: www.citruspa.org or simply scan this QR code.





Tips for Buying Real Estate

- Don't purchase large items with your cash or credit cards
- Don't pay your bills late
- Don't pay your current debt off unless instructed to do so
- Don't change employers or careers
- Don't get married or divorced or change your name
- Don't leave town or be unavailable for long periods of time
- Review your purchase contract and your loan terms



This completes “Title Insurance & Closing Process” class, please complete a short quiz to get credit for this course.

<https://forms.office.com/Pages/ResponsePage.aspx?id=4Wz47ybOu0-O5A96KvhFiGLtsnh7IpRA1l6CzdOlgRUNUxYU1k3TVY5TzBaTUpGUDhUUDJZTTQwOC4u>

Disclaimer: The contents of this class serves only as an educational guideline for our Homeownership Program. Change at Habitat for Humanity of Citrus County is inevitable. Therefore we expressly reserve the right to interpret, modify, suspend, or cancel, with or without prior notice, any part of our program guidelines at anytime. Changes will be effective on the dates determined by HFHCC