



HOMEBUYER GUIDE



Brandy McAulay
Owner/Licensed Title Agent
Universal Settlement Services of PA, LLC.
814.689.1741
client@settlementsdirect.com

UNIVERSAL
SETTLEMENT SERVICES OF PA, LLC.

STATE COLLEGE (headquarters)
1423 N. Atherton St., 2nd Floor, State College, PA 16803

ALTOONA
919 Logan Blvd., Altoona, PA 16602

LEWISTOWN
405 Electric Ave., Lewistown, PA 17044

MUNCY
23 South Main St., Muncy, PA 17756

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Quick REFERENCE

Escrow #	
New Address	
City/State/Zip	

REAL ESTATE AGENT	
Name	
Assistant	
Brokerage	
Phone	
Email	
Address	
City/State/Zip	
Fax	

SETTLEMENT COMPANY/ATTORNEY	
Company	
Contact Name	
Phone	
Email	
Fax	
Address	
City/State/Zip	

HOME INSURANCE	
Company	
Agent	
Phone	
Email	
Fax	
Policy #	

LENDER/MORTGAGE BROKER	
Company	
Contact Name	
Phone	
Email	
Fax	
Address	
City/State/Zip	

SERVICE	COMPANY	PHONE	ACCOUNT #
Internet			
Electric			
Gas			
Water			
Sewer			
Refuse			
HOA			
Home Warranty			

Rent or Buy - **YOU DECIDE**

Not sure if you should buy a home? The rent you pay could be building equity in your own real estate. Do you realize how much you pay in rent over a period of years? The chart below give you a total picture of what is happening to your money. You'll be surprised by the sum.

RENT	1 YEAR	3 YEARS	5 YEARS	10 YEARS	15 YEARS	RETURN
\$800	\$9,600	\$28,800	\$48,000	\$96,000	\$144,000	\$0
\$900	\$10,800	\$32,400	\$54,000	\$108,000	\$162,000	\$0
\$1,000	\$12,000	\$36,000	\$60,000	\$120,000	\$180,000	\$0
\$2,000	\$24,000	\$72,000	\$120,000	\$240,000	\$360,000	\$0
\$2,500	\$30,000	\$90,000	\$150,000	\$300,000	\$450,000	\$0

Rent

- 1 No interest-payment deductions
- 2 Rental amount may increase at any time
- 3 Landlord approval needed for any changes
- 4 No capitalization; your money disappears forever
- 5 Rental is temporary and often subject to a 30 day notice

Buy

- 1 Mortgage interest may be tax deductible
- 2 Decorate and make changes as you wish
- 3 The value of your property increases over time
- 4 Your house will become a home, not a temporary living situation; you are not at the mercy of a landlord

LOAN APPLICATION Preparation

BE PREPARED TO PROVIDE THE FOLLOWING TO YOUR LOAN OFFICER (AS APPLICABLE)

- ✓ Addresses of residences (2 years)
- ✓ Social security number
- ✓ Driver's license or other valid ID
- ✓ Employer's names/addresses (2 years)
- ✓ Two recent paystubs
- ✓ Federal tax returns (2 years)
- ✓ W-2's (2 years)
- ✓ Bank statements
- ✓ Loans/credit cards: names, addresses, account numbers, payment amounts
- ✓ Addresses and values of other real estate owned
- ✓ Funds to pay for credit report and appraisal
- ✓ Value of personal property
- ✓ For a VA loan: certificate of eligibility or DD 214's
- ✓ Divorce decree, if applicable
- ✓ Letter of explanation regarding credit inquiries of special circumstances.

How Much Home CAN YOU **AFFORD?**

Lenders abide by certain ratios when calculating the loan amount their customers can qualify for and the ratios vary by lender and loan program. Contact your loan officer to determine an accurate price range to consider. Many use 28% of your gross monthly income as the maximum allowed for your mortgage payment (principal/interest/taxes/insurance or PITI); for your total monthly debt, the ratio may be 36%. Total monthly expenses means PITI plus long-term debt (such as auto loans) and revolving/credit-card debt. Do not include other expenses such as groceries, utilities, clothing, tuition, etc., to calculate this ratio.

SAMPLE MORTGAGE PAYMENT*

LOAN	3%	3.5%	4%	4.50%	5%	6.5%	7%	8%
\$100,000	\$422	\$449	\$477	\$507	\$537	\$632	\$665	\$734
\$150,000	\$632	\$674	\$716	\$760	\$805	\$948	\$998	\$1,101
\$200,000	\$843	\$898	\$955	\$1,013	\$1,074	\$1,264	\$1,331	\$1,468
\$250,000	\$1,054	\$1,123	\$1,194	\$1,267	\$1,342	\$1,580	\$1,663	\$1,834
\$300,000	\$1,265	\$1,347	\$1,432	\$1,520	\$1,610	\$1,896	\$1,996	\$2,201
\$350,000	\$1,476	\$1,572	\$1,671	\$1,773	\$1,879	\$2,212	\$2,329	\$2,568
\$400,000	\$1,686	\$1,796	\$1,910	\$2,027	\$2,147	\$2,528	\$2,661	\$2,935
\$450,000	\$1,897	\$2,021	\$2,148	\$2,280	\$2,416	\$2,844	\$2,994	\$3,302
\$500,000	\$2,108	\$2,245	\$2,387	\$2,533	\$2,684	\$3,160	\$3,327	\$3,669
\$550,000	\$2,319	\$2,470	\$2,626	\$2,787	\$2,953	\$3,476	\$3,659	\$4,036
\$600,000	\$2,530	\$2,694	\$2,864	\$3,040	\$3,221	\$3,792	\$3,992	\$4,403
\$650,000	\$2,740	\$2,919	\$3,103	\$3,293	\$3,489	\$4,108	\$4,324	\$4,769

**This formula is only a guide and not to be construed as actual lending calculations.*

Obtaining a **NEW LOAN**

WHEN AND WHERE TO APPLY FOR A LOAN

There are many sources for home loans including banks, credit unions, mortgage companies, and mortgage brokers. Apply for your loan as soon as possible. In fact, it's probably a good idea to know what you can afford before you begin looking for your new home. This information will give you more bargaining power when negotiating with a seller, especially in today's market. A lender can prequalify you for a certain price range and help you avoid disappointment later.

WHAT IS HAZARD (OR FIRE) INSURANCE?

Hazard insurance covers the dwelling itself and is required by the lender to protect their "risk" in your home. Your lender will explain the necessary hazard insurance coverage. If you are buying a condominium, a master policy should already exist to include your unit - but it does not cover your personal belongings.

CONTACT YOUR INSURANCE AGENT EARLY

This coverage must be provided for the lender to release loan funds to your settlement/closing agent. Hazard insurance is one of the items frequently put off until the last minute, which can result in a closing delay. Order your insurance as soon as your loan is approved; then provide the insurance agent's name and phone number to your lender. Be sure to ask about coverage in your homeowner's policy to insure your personal belongings and to protect against liability for events such as injuries to visitors.

OTHER DETAILS WILL BE NEEDED

They will also order an appraisal on the property you are buying. If your lender asks for additional items, make sure to comply promptly in order to avoid possibly delaying loan approval.

MOVING Checklist

NOTIFY OF ADDRESS CHANGE

- Post Office
- Bank
- Credit Card Companies
- Insurance Companies (Medical, Auto)
- Automobile (Registration, Driver's License)
- Utility Companies
 - Electric
 - Gas/Heat
 - Internet/Cable/Phone
 - Refuse
 - Water & Sewer
 - HOA/Condo Assoc.
- School(s)
 - Transfer Transcripts
- Doctor(s)
 - Transfer Medical Records
 - Transfer Prescriptions to New Pharmacy
- Voter Registration Information

DON'T FORGET TO

- Empty Freezers - Plan Use of Foods
- Double-Check Storage Areas
 - Closets
 - Attic
 - Shed / Garage
 - Basement
- Back Up Computer Files
- Coordinate with Movers (Time/Date of Move)
- Take Inventory of Moving Boxes
- Measure Entryways for Furniture
- Confirm Parking Availability for Moving Truck
- Carry Currency & Expensive Jewelry
- Put Important Documents Together & Carry
 - Birth Certificates
 - Social Security Cards
 - Financial Records
 - Medical Records
- Leave All Keys for New Owner
 - Including Garage Door Openers

MOVING WITH PETS

- Schedule a Vet Check-Up Before Move
 - Obtain Medical History
 - Keep Ample Medicine Supply
- Research State Requirements
- Find a New Vet
- Update License Tags
- Gather Items for Pet Travel Bag
 - Food & Water
 - Favorite Toy
 - Leash
- Carry a Current Photograph of Pet
(In case your pet is lost or runs off during move)

AFTER THE MOVE

- Meet the Neighbors
- Send Thank You Notes
 - Realtor
 - Lender
 - Settlement Agent
- Do a Good, Thorough Clean of Home
- Check Out Neighborhood (Parks, Stores, Etc...)
- Change the Locks
- Make Spare Keys
- Confirm All Utilities Transferred
- Reach Out to HOA/Condo Assoc.
- Save Your Homebuyer Binder
- Keep Copies of Moving Receipts
(You can deduct these from your taxes)

PROTECT Your Information



When you are involved in a real estate transaction, you'll be required to submit personal information to different parties: lenders, realtors, settlement agents. Unfortunately, would-be fraudsters sometimes attempt to steal personal information and even money through real estate transactions. It is important to be wary of requests for personal info.

WHAT IS WIRE FRAUD?

It is an act of fraud that uses electronic communications, such as making false representations on the phone or via email, to illegally obtain money. Falling victim to a wire fraud scheme or related fraud can be financially devastating to those involved. Make sure you are aware of the risks and actively follow procedures and protocols to guard against security failures.

WHAT CAN YOU DO?

Do not share your online banking login credentials.

Do not share your banking account information.

Never access your bank account using a public computer.

Monitor your accounts regularly for unauthorized transactions and be sure to report any irregular transactions to your bank immediately.

Watch out for phishing emails with embedded links, even when they appear to come from a trusted source.

Be skeptical of any change in wiring instructions.

Confirm wire and other disbursement instructions received by email via a confirmed phone number, NOT the phone number in the same email.

Always make sure that emails regarding your transaction come from the person you are expecting them to come from and that the correct email address is being used.

Carefully review your personal information on your transaction paperwork for accuracy.

HOME COMPARISON Chart

This home comparison chart is designed to help you remember the homes you visit and what you liked best and least about each one. Rate features or make notes that will help you determine what pleased or displeased you.

	HOME 1	HOME 2	HOME 3	HOME 4	HOME 5
ADDRESS					
Price					
Bedrooms					
Baths					
Sq.Ft.					
Garage					
Condition					
Opinion on yard/ outdoors					
Opinion on interior					
Things you liked					
Areas that could use improving					
Areas of concern					

What is a **SETTLEMENT COMPANY**

The settlement company is a neutral third-party that handles the funds, documents, and tasks specific to the closing (or settlement) as outlined on the real estate purchase agreement. The purpose of a settlement company is to facilitate the transaction by managing the disbursement of funds.

KEY PLAYERS

In accordance with local custom, the buyer involved in the transaction will select the settlement company, though they often defer to their real estate agent to make this decision. The settlement company could be an escrow agent, title officer, or attorney, depending on many considerations, including the geographical location of the transaction.

ROLES

The settlement company will correspond with the buyer and seller side to make sure all funds and documents line up for closing day. They will be the primary connector between the buyer side (buyer, buyer's agent, lender) and the seller side (seller, listing agent, individual preparing the deed).

PROCESS

Once all transaction contingencies are met, including the execution of all documents necessary to complete the transaction, the settlement company will disburse funds to the appropriate parties, all in accordance with the purchase agreement.

CLOSING/SETTLEMENT

The cost of settlement services is covered by the buyer or the seller as determined by local custom, market conditions, or contractual agreements made within the purchase offer.

CLOSING DAY

Once all the tasks described within the sales purchase agreement have been completed and appropriate funds are disbursed, the transaction is complete and the escrow closes.

MAIL-AWAY Closing Tips

As opportunities for real estate transactions expand across the county and state lines, the frequency of mail-away closings is increasing. If you are involved in a closing that requires the mailing of documents, here are some tips that can help you avoid delays.

- ✓ Inform your closing agent of the need to mail documents as soon as possible. This will allow them to better coordinate the document preparation and signing process.
- ✓ Provide your closing agent with a physical address and the best phone number for each party involved in the transaction. NOTE: Most overnight delivery services will not deliver to a PO Box.

- ✓ Not all lenders allow documents to be signed in advance of the closing date, and some documents require that the documents be signed in the presence of an attorney or at a local settlement agent's office.
- ✓ Allow sufficient turnaround time for the documents to be signed. This may decrease the chances of funding delays due to errors in the signing process. In order to disburse funds on a transaction, your closing/settlement agent may require the original documents to be returned and in their possession.

THE MINIMUM TIME REQUIRED TO SEND AND RECEIVE DOCUMENTS IS THREE BUSINESS DAYS.

Guide to **TITLE INSURANCE**

Title insurance provides coverage for certain losses due to defects in the title that, for the most part, occurred prior to your ownership. When a piece of real property is financed, purchased, or sold, a record of that transaction is generally filed in public archives. Likewise, other events that may affect the ownership of a property are also documented and filed. These may include liens, encumbrances, etc. When a buyer purchases title insurance, the title company searches these records to find (and remedy, if possible) issues that may affect the purchaser's ownership.

	WHAT IT IS	WHY IT MATTERS	HOW YOU BENEFIT
TITLE	Title is your ownership right to your property.	No homebuyer wants to inherit existing debts or legal issues that could interfere with their property rights in the future.	Clear title allows you to use or modify your property.
TITLE AGENT	Title insurance professionals examine or research public records to see if there are any problems or defects that could cause you legal issues. They may also manage the closing process.	The title professional ensures the title search is completed, writes the title insurance policy, and works to reduce your risk of ownership issues in the future.	Your title professional has your back. They sweat the small stuff so you don't have to, giving you peace of mind.
TITLE SEARCH	A title search is an early step in the homebuying process to uncover issues that could limit your rights to the property.	If a title issue is discovered, your title professional will often take care of it without you even knowing. After the title problem is fixed, you are able to purchase owner's title insurance.	The title search protects you from unknowingly inheriting a previous owner's debts, legal obligations, or other title problems.
TITLE INSURANCE	There are two different types of title insurance: the owner's policy and the lender's policy. The owner's policy is purchased by you, the homebuyer. While it is your choice, purchasing an owner's title insurance policy is the best way to protect your property rights. The lender's policy is usually paid for by you. It is almost always required by the lender and only protects the lender's interest.	Sometimes undiscoverable defects can come up after the title search. Title issues may include forgery, fraud, or clerical errors. Owner's title insurance is the best way to protect yourself from losing your property.	Every year, the vast majority of homebuyers in America elect to protect the largest investment of their lives and purchase owner's title insurance. Owner's title insurance protects your interests after you purchase your home for the length of ownership.
CLOSING	Closing is the final step in executing the homebuying transition.	It is the process that allows the transfer of ownership to occur.	Upon completion of the closing process, you get the keys to your home!

Differences in **TITLE TERMS**

	WHAT IT IS	WHAT IT MEANS
ABSTRACT OF TITLE	The title abstract is a chronological document that summarizes the chain of title from the time the property was first recorded as owned to present day. It should list every transfer and other key details, like liens against the property.	This document is a fully comprehensive list of everything that has happened to the property that is known and recorded. If there are any active liens, encumbrances, conveyances, back taxes, etc., they will appear on the abstract and serve as a red flag to something that will need to be resolved before closing.
TITLE SEARCH	The title search is the process that occurs when you request an abstract of title. It is the examination of public records to confirm the seller is the property's rightful legal owner. It also reveals if there are any claims or liens on the property that could affect your purchase. For a full title search, our company goes back 60 years to ensure clear title.	Performing a title search is usually required by a lender and is always recommended practice when purchasing, refinancing, or constructing a new build. This process is the first step in making sure the seller has the right to transfer the property to the buyer and will show any disputes, competing rights, lawsuits, liens and more. If any of these items exist, they will need to be addressed and resolved before settlement.
TITLE INSURANCE OWNER'S POLICY	An owner's policy protects the buyer for and after the full term of property ownership for any potential defects that occurred before the purchase of the property.	For a one-time fee, title insurance will protect your property rights against any potential defects or claims that were undiscoverable before closing. Example: if there is an outstanding debt associated with the prior owner of the property that was not disclosed, the party that is owed money can file a title claim and demand the current owner repay the debt. With title insurance, the insurer will attempt to resolve any disputes and potentially cover the costs of the resolution.
TITLE INSURANCE LENDER'S POLICY	The lender's policy protects the lender from loss due to unenforceability or invalidity of the mortgage lien. Most lenders require this if a buyer is obtaining a loan to purchase real estate.	The lender's policy protects only the lender from any claims against the property that could negatively impact the bank from someone attempting to claim money owed. The insurance company will instead be responsible for any necessary costs.
CERTIFICATE OF TITLE	A certificate of title is issued based on the findings in a title search. This document is a summary of anything that was found on record.	A certificate of title is a summary of an attorney's review of the title abstract. This certificate is completed by a third-party attorney and does not provide title insurance. While this certificate will disclose any defects that the attorney finds which are revealed by the title abstract, this certificate does NOT protect against defects that were not discovered prior to closing like title insurance would and therefore resolution of undisclosed defects would be the buyer's responsibility to resolve at the buyer's cost.



Common **TITLE PROBLEMS**



HAVE YOU EVER WONDERED WHY YOU NEED TITLE INSURANCE?

Your home may be new to you, but every property has a history. A thorough title search can help uncover any title defects tied to your property. Subject to the terms of the policy, your title insurance provides protection for you from title problems that may become known after you close your transaction.

- 1 Errors in public records:** Clerical or filing errors could affect the deed or survey of your property and cause undue financial strain in order to resolve them.
- 2 Unknown liens:** Banks or other financing companies can place liens on your property for unpaid debts even after the sale has closed.
- 3 Illegal deeds:** It's possible that a prior deed was made by an undocumented immigrant, minor, person of unsound mind, or one who is reported single but in actuality married. These instances may affect the enforceability of prior deeds, affecting prior (and possibly present) ownership.
- 4 Missing heirs:** When a person dies, the ownership of their home may fall to their heirs, however, those heirs are sometimes missing or unknown at the time of death. Other times, family members may contest the will for their own property rights.
- 5 Forgeries:** Sometimes forged or fabricated documents that affect property ownership are filed within public records, obscuring the rightful ownership of the property.
- 6 Undiscovered encumbrances:** At the time of purchase, you may not know that a third party holds a claim to all or part of your property - due to a former mortgage or lien, or non-financial claims, like restrictions or covenants, limiting the use of your property.
- 7 Unknown easements:** You may own your new home and its surrounding land, but an unknown easement may prohibit you from using it as you'd like, or could allow government agencies, businesses, or other parties access to all or portions of your property.
- 8 Boundary/survey disputes:** You may have seen several surveys of your property prior to purchasing, however, other surveys may exist that show differing boundaries. Therefore, a neighbor or other party may be able to claim ownership to a portion of your property.
- 9 Undiscovered will:** When a property owner dies with no apparent will or heir, the state may sell his or her assets, including the home. When you purchase such a home, you assume your rights as owner. However, the deceased owner's will may come to light and your rights to the property may be seriously jeopardized.
- 10 False impersonation of previous owner:** Common and similar names can make it possible to falsely "impersonate" a property owner. If you purchase a home that was once sold by a false owner, you can risk losing your legal claim to the property.

Common Ways to **HOLD TITLE**

When purchasing real estate in Pennsylvania, the buyer(s) will need to decide how they are going to take title to the real property. The way in which they hold title will not only structure legal ownership, but it will also determine how the ownership is transferred upon their death. There are several common ways to take and hold title.

TENANCY IN COMMON

Two or more people acquire title to real property as percentage owners, usually an equal percentage between all owners. Each owner will hold an individual, undivided interest in real property. This means every owner has the right to equal possession and use of the real property as a whole regardless if the percentages of interests are not equal. Any owner can encumber, sell, or transfer their distinct ownership interest without consent of the other owner(s). Upon the death of an owner, their interest will transfer to another owner(s) as per the decedent's Last Will and Testament or the Intestacy Laws of Pennsylvania.

JOINT TENANTS WITH RIGHT OF SURVIVORSHIP

Two or more people acquire title to real property jointly. This means each owner will have an equal share of the real property, as well as the right to equal possession and its use as a whole. No owner can encumber their interest without the consent of the other owner(s). Upon the death of an owner, their interest is automatically transferred to the surviving owner(s). This will continue until the full title is vested in a sole owner, and this owner will be legally allowed to transfer, encumber, or sell the real estate without consent from anyone.

TENANCY BY THE ENTIRETY

This is a type of property ownership that can only be held by married couples. This form of ownership provides certain legal protections and benefits to the couple, such as shielding the property from individual debts or liabilities of one spouse. Essentially, it means that the couple owns the property as a single legal entity, rather than as two separate individuals. In the event of divorce or death of one spouse, the property automatically passes to the surviving spouse.

SOLE OWNERSHIP

Sole ownership is a straightforward way to hold title to a property, where the individual owns the property in their name alone. This type of ownership provides full control over the property and is relatively easy to establish, but it also means that the individual has full responsibility for any legal claims, debts, or taxes related to the property.

TRUST / LLC

Holding title through a trust or LLC can provide additional protection for the owner's personal assets and offer greater flexibility in terms of ownership and management. By holding property in a trust, the owner can protect their privacy, ensure a smoother transfer of assets to beneficiaries, and potentially minimize estate taxes. Holding property in an LLC can also offer limited liability protection, which shields the owner's personal assets from legal claims or debts related to the property.



WHAT TO AVOID During the Process

1 CHANGING YOUR MARITAL STATUS

How you hold title is affected by your marital status. Be sure to make both your lender and the title company aware of any changes in marital status so that documents can be prepared correctly.

2 CHANGING JOBS

A job change may result in your loan being denied, particularly if you are taking a lower-paying position or moving into a different field. Don't think you're safe because you've received approval earlier in the process, as the lender may call your employer to re-verify your employment just prior to funding the loan.

3 SWITCHING BANKS OR MOVING YOUR MONEY TO ANOTHER INSTITUTION

After the lender has verified the location of your funds, the money should remain there until needed for the purchase unless otherwise discussed with your lender.

4 PAYING OFF EXISTING ACCOUNTS

If your Loan Officer advises you to pay off certain bills in order to qualify for the loan, follow that advice. Otherwise, leave your accounts as they are until the close of escrow.

5 MAKING ANY LARGE PURCHASES

A major purchase that requires a withdrawal from your verified funds or increases your debt can result in loan disqualification. A lender may check your credit or re-verify funds at the last minute, so avoid purchases that could impact your loan approval, such as a new vehicle or appliances.



Buyer's **CLOSING CHECKLIST**

PRIOR TO CLOSING

- Verify all names are spelled correctly and all parties who will be listed on the deed are also listed on the title commitment.
- Any party listed on the title/deed/mortgage must attend closing and will be required to sign.
- Please call your bank to find out how they handle cashier's checks or wired funds. This is a crucial step, as some banks are online or not local - this may require some additional planning.
- If your transaction has unique circumstances such as the involvement of a Power of Attorney, a need to wire funds, or if you are unable to attend closing, let your Buyer Coordinator know as soon as possible to avoid any potential closing delays.

CLOSING DAY

- Please bring a cashier's check payable to Universal Settlement Services in the amount provided to you by your Buyer Coordinator or your lender.
- It is very important to bring your Driver's License or other VALID photo identification.
 - Valid Driver's License or Non-Driver ID issued by the State
 - U.S. Passport or Foreign Passport Stamped by the U.S. Citizenship and Immigration Services (USCIS)
 - Valid U.S. Military ID
 - Veterans Health ID Card
- Closing document signatures must match names on the identification presented.
- If you are unable to attend closing, please contact your Buyer Coordinator as soon as possible to discuss preparing a POA (Power of Attorney) or alternative arrangements.

AFTER CLOSING

You will receive a letter that looks like it was sent by the state with an invoice regarding your deed. This is a scam and can be discarded.

You will receive the original deed from Universal in the mail after closing. It may take a few weeks or months depending on county regulations. If you ever lose it, we can always provide you with a copy.

You will receive a Homestead/Farmstead Application. If you plan on using your purchase as your primary residence, you could potentially receive a tax bill credit.

Taxes will be due even if you do not receive a tax bill. Please reach out to your local tax collector and make sure your mailing address is accurate to receive future billings.

Please make sure you reach out to the various utility companies involved in your real estate transaction to confirm they have been transferred.

WIRE PREPARATION Checklist

Please note, the term “beneficiary” is used to describe the company that your are wiring funds to.

OUTGOING WIRE INFORMATION

Date: _____ File Number: _____

Company: _____

Purpose of Wire:

Loan Proceeds Cash to Close Earnest Money Deposit

Other: _____

SOURCE OF WIRING INSTRUCTIONS (PLEASE CHECK ONE)

- I received the initial outgoing wire instructions directly from the beneficiary **in person**. The instructions **have NOT been modified or amended**.
- I received the initial outgoing wire instructions directly from the beneficiary **via mail** and verified the accuracy of the instructions by calling the beneficiary at a phone number obtained independently. The instructions **have NOT been modified or amended**.
- I received the initial outgoing wire instructions directly from beneficiary **via fax** and verified the accuracy of the instructions by calling the beneficiary at a phone number obtained independently. The instructions **have NOT been modified or amended**.
- I received the initial outgoing wire instructions directly from the beneficiary **by email** and verified the accuracy of the instructions by calling the beneficiary at a phone number obtained independently. The instructions **have NOT been modified or amended**.
- I received the initial outgoing wiring instructions **via a 3rd party** (e.g., attorney, realtor, lender) and have verified the accuracy of the instructions by calling the beneficiary at a phone number obtained independently. The instructions **have NOT been modified or amended**.
- I received the initial outgoing wire instructions from the beneficiary, which **HAVE been modified or amended** in writing in person at the following date/time:

VERIFY INSTRUCTIONS

Beneficiary: _____

Beneficiary Bank: _____

Routing Number: _____ Account Number: _____

Beneficiary Phone Number: _____

Name of Person I Spoke With: _____ Date: _____

- Wire information has been confirmed. Account and ABA Routing Number as well as Account Name match the expected payee. Wire instruction notes indicate the correct payment information.

VERIFY DELIVERY OF WIRED FUNDS

Date Wire was Sent: _____ Date Wire was Received: _____

Name of Person Who Confirmed Receipt: _____

CLOSING Day

CASHIER'S CHECK

If you are going to bring money to closing, please obtain a cashier's check for the exact amount needed to close. If you are unsure about this amount, call your lender to confirm the amount due.

Keep in mind that we do not accept personal checks unless the cash-to-close amount is less than \$1,000 and it has been approved with the owner of the company. If you are not aware of the difference between a personal and a cashier's check, feel free to reach out to your Buyer Coordinator to learn more.

WIRING INSTRUCTIONS

Please Note: If your bank is online or not local and you plan to wire funds for closing, contact your Buyer Coordinator as soon as possible for instructions on how to proceed.

Each bank has different wiring rules and regulations. For example, PSECU has a local branch in State College, but that branch does not wire money or accept wires. Please call your bank well in advance to learn more about their wiring protocols, daily wire limit, and wire cut-off times.

PHOTO IDENTIFICATION

Please remember to bring VALID photo identification to closing. All ID's must match the name on the loan.

- ✓ Valid Driver's License or Non-Driver ID issued by the State
- ✓ U.S. Passport
- ✓ Foreign Passport Stamped by the U.S. Citizenship and Immigration Services (USCIS)
- ✓ Valid U.S. Military ID
- ✓ Veterans Health ID Card



What Happens **AFTER CLOSING**

-  **PROPERTY TAXES**

At closing, property taxes were prorated between the buyer and seller based on the occupancy time in the home. **You may or may not receive a tax statement for the current year on the home you buy; however, it is your obligation to make sure the taxes are paid when due. If you do not receive your tax statement, call your township and ask for a copy of your tax certification and save it for easy reference.** Check with your lender to find out if taxes are included with your payment and if the tax bill will be paid by the lender from escrowed funds.
-  **KEYS & DOCUMENTS**

At or after closing, you will be supplied with a set of keys that unlock the doors to your new home. To ensure security, have the locks changed upon moving in. It is recommended that you keep all records pertaining to your home together in a safe place, including all purchase documents, insurance, maintenance, and improvements.
-  **UTILITIES**

If you have not already done so, contact the local service providers to make arrangements for electricity, gas, water, phone, internet, and cable or satellite services. While some providers may need as little notice as a day to activate your services, it's best to give them a few weeks notice. **It is important to call and make sure that they have your contact and billing information.**
-  **OWNER'S TITLE POLICY & DEED**

You will receive a copy of your Owner's Title Insurance Policy by mail in four-to-six weeks along with the original copy of your deed. Once recorded in the official county courthouse, the original deed to your real estate purchase will be mailed directly to you. **BE AWARE: You will receive an official-looking letter stating that you have to pay for a certified copy of your deed. This is a scam.**
-  **LOAN PAYMENTS**

At the closing, written instructions were provided with details for making your first loan payment. You should receive your loan coupon book before your first payment is due. **If you don't receive your book, or if you have questions about your tax and insurance escrows, please contact your settlement company or loan officer for more details.**
-  **FILING FOR HOMESTEAD**

The Pennsylvania Tax Relief Act allows you to file for a homestead exemption which reduces the value of a home strictly for state-tax purposes. Please check with the local county recorder's office to determine eligibility, filing requirements, and deadline. This application is usually available on the local tax assessment website and may be mailed to you after closing.
-  **POSTAL SERVICE**

Your local Post Office can provide the necessary Change of Address forms to expedite the delivery of mail to your new home. You can speed up the process by notifying everyone who sends you mail of your new address and the date of your move. Many bills provide an area for making an address change. **If the property will require a PO Box, be sure to set this up immediately and give us a call so that we can update the records.**
-  **DRIVER'S LICENSE, VEHICLE REGISTRATION & INSPECTION**

You are required by law to notify your state Department of Motor Vehicles (DMV) after any relocation so a new driver license can be issued. You will also need to have your auto registration transferred to your new address.

HOMESTEAD Tax Exemption



The Taxpayer Relief Act, signed into law in 2006, provides for property tax reduction allocations to be distributed by the Commonwealth to each school district. Property tax reduction will be through a “homestead or farmstead exclusion.” Generally, most owner occupied homes and farms are eligible for property tax reduction. Only a primary residence is eligible for property tax relief. To learn more about the filing process, eligibility, and requirements, please contact your county assessment office.

Centre County Tax Assessment Office

814.355.6721 | centrecountypa.gov/423/tax-assessment

Blair County Tax Assessment Office

814.693.3110 | blairco.org/dept/assessment/pages/blaircounty.aspx

Mifflin County Tax Assessment Office

717.248.5783 | co.mifflin.pa.us/dept/assessment/pages/default.aspx

Lycoming County Tax Assessment Office

570.327.2301 | lyco.org/departments/assessment

Huntingdon County Tax Assessment Office

814.643.1000 | [huntingdoncounty.net/dept/tax assessment/pages/default.aspx](http://huntingdoncounty.net/dept/tax%20assessment/pages/default.aspx)

Clinton County Tax Assessment Office

570.893.4031 | clintoncountypa.com/departments/assessment

Clearfield County Tax Assessment Office

814.765.2641 x5005 or x5006 | clearfieldco.org/assessment-tax-claim

Cambria County Tax Assessment Office

814.472.1451 | cambriacountypa.gov/tax-assessment

Bedford County Tax Assessment Office

814.623.4842 | bedfordcountypa.org/departments/tax_assessment_and_claims/index.php

Juniata County Tax Assessment Office

717.436.7740 | juniataco.org/departments/assessment/

TERMS to Know

AFFIDAVIT

A written statement or declaration that is sworn to or affirmed before somebody who has the authority to administer an oath or affirmation.

APPRAISAL

An estimate of value of property resulting from analysis of facts about the property; an opinion of value.

ANNUAL PERCENTAGE RATE (APR)

The borrower's costs of the loan term expressed as a rate. This is not their interest rate.

ASSESSMENT/ASSESSED VALUE

An assessment is used to determine how much in taxes the owner of a property will pay. An assessor calculates the assessment of a home's value by looking at comparable homes in your area & reviewing an inspection of the home in question.

ASSIGNMENT

A transfer in writing of one's interest in something, as to assign an interest in a promissory note and deed of trust.

BENEFICIARY

The recipient of benefits, often from the deed of trust; usually the lender.

BRING DOWN REPORT

A "bring down" is when a supplemental report that is created when a transaction's closing date is pushed back. The bring down covers the time period between the original time search and the new settlement day.

CHAIN OF TITLE

The ownership history of a parcel of real estate; each deed or other instrument transferring the title is called a link and all of these links make up the chain of title.

CLOSING DISCLOSURE (CD)

The closing disclosure is a form designed to disclose all estimated costs for related to the real estate closing. Buyers and sellers each get their own version. This form will be given to the consumer three business days before closing.

CLOSE OF ESCROW

Though varied from state to state, close of escrow generally refers to the date the buyer becomes the legal owner and the title insurance becomes effective, aka "closing day."

COMPARABLE SALES

Sales that have similar characteristics as the subject real property, used for analysis in the appraisal. Commonly called "comps."

CONSUMMATION/CLOSING

Occurs when the borrower becomes contractually obligated to the creditor of the loan. The point in time when a borrower becomes contractually obligated to the creditor on the loan depends on applicable State law. Consummation is not the same as close of escrow or settlement.

DEED OF TRUST

An instrument used in many states in place of a mortgage.

DEED RESTRICTIONS

Limitations in the deed to a parcel of real property that dictate certain uses that may or may not be made of the real property.

DISBURSEMENT DATE

The date the funds are to be disbursed to a buyer and seller in a purchase transaction or the date funds are to be paid to the borrower or a third party in a transaction that is not a purchase transaction (like a refinance.)

EARNEST MONEY DEPOSIT (EMD)

Down payment made for a purchase of real property as evidence of good faith; a "good faith deposit."

EASEMENT

A right, privilege or interest limited to a specific purpose that one party has in the land of another.

ENDORSEMENT

As to a title insurance policy, a rider or attachment forming a part of the insurance policy expanding or limiting coverage.

ESCROWS/IMPOUNDS

A trust type of account established by lenders for the accumulation of borrower's funds to meet periodic payments of taxes, mortgage insurance premiums and/or future insurance policy premiums, require to protect their security.

FOR SALE BY OWNER (FSBO)

Homes listed as for sale by owner (FSBO) are being sold without the help of a real estate agent.

FORECLOSURE

If a homeowner doesn't make a mortgage payment (usually, for more than 90 days), foreclosure is a legal process during which the owner forfeits all property rights. If they are unable to pay off outstanding debt on the property or sell it via short sale, the property enters a foreclosure auction. If no sale is made there, the lender takes control of the property.

INSTRUMENT

A written legal document such as a contract, a promissory note, a deed, or a grant.

JUDGMENT

A court's final decree, generally resulting in a lien; may encumber the sale of a property and must be satisfied before it can be sold.

LIEN

A form of encumbrance that usually makes a specific parcel of real property the security for payment of a debt or discharge of an obligation. For example, judgments, taxes, mortgages, deeds of trust.

LOAN ESTIMATE (LE)

Form designed to provide disclosures that will be helpful to borrowers in understanding the key features, costs, and risks of the mortgage loan for which they are applying. Initial disclosure to be given to the borrower three business days after application.

LOAN ORIGATION

Loan origination is the process during which a borrower submits a loan application and a financial institution or lender processes that application. There is usually an origination fee associated with this process.

LOAN-TO-VALUE (LTV)

The loan-to-value (LTV) ratio is the mortgage loan balance divided by the home's value. It shows how much you're borrowing from a lender as a percentage of your home's appraised value.

PITI

A payment that includes Principal, Interest, Taxes, and Insurance.

POWER OF ATTORNEY (POA)

A written instrument whereby a principal gives authority to an agent. The agent acting under such a grant is sometimes called an Attorney-in-fact.

PURCHASE AGREEMENT (AOS)

A purchase agreement demonstrates a buyer's intent to purchase a piece of property and a seller's intent to sell that property. The document outlines the terms and conditions of a sale and holds each party legally accountable to meeting their agreement. Could also be an "Agreement of Sale."

RECORDING

Process of filing documents affecting real property with the appropriate government agency as a matter of public record.

REFINANCE

Refinancing replaces an existing loan with a new one. Debt is not eliminated when a borrower refinances. Instead, it typically offers better terms, including a lower interest rate, lower monthly mortgage payments, or a faster loan term.

RIGHT OF SURVIVORSHIP

The right of survivorship is employed most often when there is joint ownership or tenancy of a property. It ensures that the surviving owner automatically receives the deceased owner's share of the property becoming the sole owner of the property.

SETTLEMENT STATEMENT (HUD/ALTA)

Document providing a detailed breakdown of costs involved in a real estate transaction.

TILA-RESPA INTEGRATED DISCLOSURE

A rule issued by the Consumer Financial Protection Bureau (CFPB) that combines and integrates the disclosures under the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA). Effective in October 2015.

TITLE

A home's title represents the rights to the property. Those rights are transferred from the seller to the buyer during a real estate transaction and give the buyer legal rights to the property upon closing.

TRANSFER TAX

Transfer tax is a transaction fee charged upon the transfer of a property's title. It is imposed by the state, county, and municipal authority where the transaction is taking place and is based on the property's value and classification.

UPI NUMBER / PARCEL NUMBER

A UPI Number is a series of numbers that identifies each separate tract, lot, or parcel of real estate and will allow the identification of a particular parcel of real estate by number. Also known as the parcel number or tax parcel.

Real Estate & Title **ACRONYMS**

1031	1031 Exchange	FATCO	First American Title Company
ABA	American Bankers or American Bar Association Also an Affiliated Business Agreement	FCL	Foreclosure
ACREL	American College of Real Estate Lawyers	FDIC	Federal Deposit Insurance Corporation
AIR	Assignment Information Report	FHA	Federal Housing Administration Also a Type of Mortgage
ALFN	American Legal & Financial Network	FHFA	Federal Housing Finance Agency
ALTA	American Land Title Association Also a Closing Document	FHLMC	Federal Home Loan Mortgage Corporation (Freddie Mac)
APN	Assessor's Parcel Number	FNMA	Federal National Mortgage Association (Fannie Mae)
APR	Annual Percentage Rate	FRA	Federal Railroad Administration
AOS	Agreement of Sale	FRM	Fixed Rate Mortgage
AOR	Assignment of Rents/Leases	FSBO	For Sale By Owner
ARM	Adjustable Rate Mortgage	FTC	Federal Trade Commission
ASC	Agency Service Center	GFE	Good Faith Estimate
BPO	Broker Price Opinion or Business Process Outsourcing	GLBA	Gramm-Leach-Bliley Act (Privacy)
BPOSG	BPO Standards and Guidelines	GNMA	Government National Mortgage Association (Ginnie Mae)
CBA	Consumer Banker Association	GSE	Government Sponsored Entity
CC&Rs	Covenants, Conditions and Restrictions	HAMP	Home Affordable Modification Program
CCAR	Centre County Association of Realtors	HARP	Home Affordable Refinance Program
CCC	Closing Cost Calculator	HELOC	Home Equity Line of Credit
CD	Closing Disclosure	HMDA	Home Mortgage Disclosure Act
CFPB	Consumer Financial Protection Bureau	HOA	Home Owners Association
CLE	Continuing Legal Education	HOEPA	Home Ownership and Equity Protection Act
CLI	Certified Legal Intern	HUD	Department of Housing & Urban Development Also a Closing Document
CLTV	Combined Loan to Value	ILSA	Interstate Land Sales Full Disclosure Act of 1968
CMA	Comparable Market Analysis	IMD	Integrated Mortgage Disclosures
COA	Community Association	LOC	Letter of Credit
CPL	Closing Protection Letter	LTV	Loan to Value
DFAST	Dodd-Frank Act Stress Testing	MAC	Report Market Analysis and Condition Report
DFR	Department of Federal Regulation	MBA	Mortgage Bankers Association
DFS	Department of Financial Services	MBS	Mortgage Backed Securities
DIL	Deed In Lieu	MERS	Mortgage Electronic Registration System
DOI	Department of Insurance	MISMO	Mortgage Industry Standards Maintenance Organization
E&O	Errors and Omissions Insurance	MLS	Multiple Listing Service
ECOA	Equal Credit Opportunity Act (Regulation B)	MRTA	Marketable Record Title Act
EMD	Earnest Money Deposit	NAHB	National Association of Home Builders
EULA	End User License Agreement	NAR	National Association of Realtors
FACC	First American Comprehensive Calculator	NCS	National Commercial Services
FAEC	First American Exchange Company	NNA	National Notary Association
FAEG	First American Energy Group	NOD	Notice of Default
FAF	First American Financial Corporation Stock Symbol	NOS	Notice of Sale
FASS	First American Signature Services		
FAST	First American Settlement Transactions		

NPPI	Non-Public Personal Information	SCRA	Service Members' Civil Relief Act
OCC	Office of the Comptroller of the Currency	SDN	Specially Designated Nationals
O&E	Ownership and Encumbrance Report	SMDU	Servicing Management Default Utility (Fannie Mae)
OFAC	Office of Foreign Assets Control	SNDA	Subordination, Non-Disturbance, and Attornment Agreement
OIR	Office of Insurance Regulation	STB	Surface Transportation Board
PAR	Pennsylvania Association of Realtors	TILA	Truth in Lending Act (Regulation Z)
PDR	Printed Disclosure Report	TRID	TILA-RESPA Integrated Disclosures
PFHA	Pennsylvania Federal Housing Agency Also a Type of Mortgage	TSR	Title Search Report
PID	Positive Identification	TSS	Title & Settlement Services Computer Program
PMI	Private Mortgage Insurance	UCC	Uniform Commercial Code
PMM	Private Mortgage Money	UDAP	Unfair and Deceptive Acts and Practices
POA	Power of Attorney	UETA	Uniform Electronic Transactions Act
POC	Paid Outside of Closing	UPB	Unpaid Principal Balance
PTFA	Protecting Tenants at Foreclosure Act	UPL	Unauthorized Practice of Law
REA	Reciprocal Easement Agreement	USC	United States Code
REIT	Real Estate Investment Trust	USDA	United States Department of Agriculture Also a Type of Mortgage
REO	Real Estate Owned	UTA	United Trustee Association
RESPA	Real Estate Settlement Procedures Act	VA	Veterans Administration Also a Type of Mortgage
ROE	Return on Equity		
ROI	Return on Investment		
RPIR	Real Property Information Report		



THANK YOU

We appreciate every client who chooses to work with us and use our services. We hope that you keep us in mind if you happen to work on a home purchase/sale, refinance, cash transaction, commercial real estate deal, deed preparation, or title search in the future.

REFERRAL

One of the best gifts we can receive in the industry is a referral. If you enjoyed working with us and found your transaction to be satisfactory, please share our contact information with your friends and family. We would love to assist them with their real estate needs.

FEEDBACK

We value your feedback and would love to hear from you! If there is anything we could do to improve the customer experience, please do not hesitate to email or call our Client Coordinator Team at client@settlementsdirect.com or by calling (814) 680-1741.

REVIEW

If our team exceeded your expectations and your overall experience was positive, we would greatly appreciate you leaving a review on our Facebook page (@ussofpa) or our Google Business Page. If you scan the QR code below, it will take you to our Google Business Page to leave a review.

WE LOOK FORWARD TO WORKING WITH YOU AGAIN IN THE FUTURE!



UNIVERSAL

SETTLEMENT SERVICES OF PA, LLC.

Ph: 814.689.1741

F: 814.690.1621

settlementsdirect.com

client@settlementsdirect.com

LET'S GET **SOCIAL**    @USSofPA

STATE COLLEGE (headquarters)

1423 N. Atherton St., 2nd Floor, State College, PA 16803

ALTOONA

919 Logan Blvd., Altoona, PA 16602

LEWISTOWN

405 Electric Ave., Lewistown, PA 17044

MUNCY

23 South Main Street, Muncy, PA 17756