



FOR SALE BY OWNER FACT SHEET

WHERE DO I START?

STEP ONE: THE PURCHASE AGREEMENT

The Purchase Agreement is the most important document that you will sign. It is a binding contract between the Buyer and Seller. It provides a blueprint of the transaction with regard to the major terms and provisions of the sale.

The Seller and buyer must work together to arrive at the terms of the Purchase Agreement. These terms include, in most cases:

- Purchase Price of the Property
- Type of Sale (Cash, New Mortgage, Land Contract)
- Earnest Money Deposit
- Occupancy Terms
- Personal property (Washer, Dryer, Window Treatments)

WHAT INFORMATION DO I NEED?

STEP TWO: PLACE THE ORDER

After all parties have executed the Purchase Agreement, call our Customer Service Department at (248) 799-8570 to place the order for Title Insurance. **PLEASE BE SURE TO INFORM OUR REPRESENTATIVE OF ANY PRIOR TITLE INSURANCE POLICY FOR CREDIT AT THIS TIME.**

During the time it takes Mortgage Center Title, LLC to research the chain of title, the Buyer and Seller will need to request and provide the following information prior to scheduling a closing:

ITEMS BUYER WILL NEED PRIOR TO CLOSING:

- Proposed Lender Information (mortgage transaction only)
- Name and address of Attorney (if applicable)

ITEMS SELLER WILL NEED PRIOR TO CLOSING:

- Signed Authorization Form (included in package).
- Homeowners Association Status Letter (If applicable)
- Name and address of Attorney (if applicable)

LEGAL COUNCIL SHOULD BE SOUGHT WITH ANY REAL ESTATE TRANSACTION

PAYOFF REQUEST AUTHORIZATION FORM

TO: (Lender)

DATE: _____

Phone # () _____

Loan #: _____

Property Address: _____

This is to advise that the above subject property has been sold and at closing the:

_____ Mortgage you hold will be:

_____ Land Contract you service will be:

_____ Paid in Full – Please provide payoff figures as of _____,
With per diem and tax information.

_____ Assumed by the Purchaser – Please provide assumption package.

_____ Neither – Need letter as to balance and current status only (for land
Contract sale).

This is your authorization to release the information requested above as soon as possible
to the escrow agent handling the closing as shown below:

Mortgage Center Title, LLC
20300 Civic Center Drive, Suite 403
Southfield, MI 48076
Attn: Escrow/Closing Dept.

Phone #: (248) 799-8570

Fax #: (248) 799-8575

Thank you in advance for your cooperation.

Seller's Signature S.S.#: _____

Seller's Signature S.S.#: _____

WHAT WILL I RECEIVE?

STEP THREE: THE TITLE COMMITMENT

This document shows the proposed insurance coverage being extended to the Buyer and the Lender (if applicable). It will also show the current ownership of the property and any requirements that must be completed at closing, as determined by a search of the county records. These requirements must be met at/or prior to closing.

STEP FOUR: THE CLOSING PACKAGE

When all necessary documents and information are received, and all parties to the transaction are ready, contact our team of Closing Coordinators at (248) 799-8570 to schedule your closing. Soon afterwards, we will make available to all parties a copy of your closing documents for your review. These documents will be tailored to your closing needs, and will typically include:

I. SELLER SETTLEMENT STATEMENT

The Seller Settlement Statement is a detailed list of all credits and charges that will affect the Seller's net proceeds.

Credits include:	Sales Price Tax Prorations
Charges include:	Water/Sewer Escrow Occupancy Escrow Earnest Money Deposit Owner's Policy County & State Transfer Tax Mortgage Payoff (if applicable) Document Preparation Fee

II. BUYER SETTLEMENT STATEMENT

The Buyer Settlement Statement is a detailed list of all credits and charges that will affect the amount, if any, needed from the Buyer for closing. **IT DOES NOT INCLUDE MORTGAGE RELATED COSTS. THESE COSTS, IF ANY, CAN BE OBTAINED FROM YOUR LENDER.**

Credits include:	Earnest Money Deposit First Mortgage Credit
Charges include:	Sales Price Tax Prorations

III. DISBURSEMENT SCHEDULE

The Disbursement Schedule shows the source of all money to be collected and, in turn, disbursed to the respective recipients.

IV. BILL OF SALE

The Bill of Sale describes and transfers the Seller's ownership interest in personal property which then becomes the Buyer's ownership document in those items which are agreed to in the Purchase Agreement.

V. WATER/SEWER ESCROW AGREEMENT

This agreement describes the terms and conditions under which the water/sewer escrow will be held and later disbursed. Any necessary escrow will be held based upon the terms contained in the Purchase Agreement. As a rule, a minimum of \$200.00 is withheld from the Seller to satisfy unpaid water charges until a final reading can be obtained.

VI. OCCUPANCY ESCROW AGREEMENT

The Occupancy Escrow Agreement dictates the terms and conditions under which any escrow occupancy funds will be disbursed. This document sets for the number of days a Seller may continue to occupy the home and at what costs per day.

VII. 1099-S REPORT

The information provided by the Seller is transmitted to the IRS to report the sale of the property, as well as the sales price, as required by law. Seller must provide Social Security Numbers at the time of closing.

VIII. PAYOFF STATEMENT

Mortgage Center Title, LLC will order a payoff statement for any secured liens against the property. These include; mortgages, land contracts, or any encumbrances against the property. These statements show the amounts necessary to pay them in full.

IX. TITLE TRANSFER DOCUMENT

This document will normally be in the form of a Warranty Deed or a Land Contract and conveys the Seller's interest to the Buyer.

X. PROPERTY TRANSFER AFFIDAVIT/HOMESTEAD FORMS

These forms must be filed whenever real estate or some types of personal property are transferred (even if you are not recording a deed).

WHAT DO I NEED TO BRING?

STEP FIVE: THE CLOSING

The closing will be scheduled at a time and place convenient for all parties. You will need to bring the items listed below, along with any specific requirements given in your closing package or directed by the lender. Please be sure to bring these items, as the omission of any could delay the closing. These items include:

- ALL INTERESTED PARTIES MUST BE AT CLOSING.
- PURCHASES MUST BRING HOMEOWNERS INSURANCE POLICY
- **ALL MONIES TRANSFERRED MUST BE IN CERTIFIED FUNDS.**
- VALID MICHIGAN DRIVERS LICENSE OR STATE I.D.
- ANY ORIGINAL DOCUMENTS REQUIRED ON YOUR TRANSACTION.
- COMPLETED SURVEY REPORT (SUPPLIED BY LENDER).

HOW MUCH DOES ALL THIS COST?

THE FEE SCHEDULE

I. PACKAGE PREPARATIONS

A \$350.00 fee is assessed to the Seller for the preparation of the closing documents.

II. CLOSING FEE

A \$350.00 closing fee is charged to the Buyer on all new conventional mortgage closings. This fee, due to federal regulations, may be charged to the Seller on FHA or VA closings. If the sale is cash or land contract, a closing fee of \$150.00 will be assessed to the Buyer.

III. EXPRESS COURIER SERVICE

Whenever express courier service is necessary for overnight service, a \$15.00 fee will be assessed.

IV. TITLE INSURANCE RATES

Title Insurance premiums are normally a Seller's cost and vary by the amount of coverage (sales price). Please feel free to call our Customer Service Department at (248) 799-8570 for a quote. Please have your prior policy at hand to assure that appropriate credits are given. Credits are based on the age and the amount of insurance coverage of the prior policy.

FEES SUBJECT TO CHANGE WITHOUT NOTICE