

GKW&H

GIBSON, KOHL, WOLFF & HRIC, P.L.

Important Reasons Why a Buyer of a Bank-Owned Property Should Consider Hiring an Attorney to Conduct Their Closing:

When purchasing a Bank-Owned property, a buyer typically has the option to allow the seller to pay for Title Insurance issued by its representative or to elect to pay for Title Insurance themselves to be issued by their own Attorney. We strongly suggest that Realtors encourage buyers of REO properties to elect to pay for Title Insurance for the below reasons, all of which have actually happened to clients of ours:

1. Buyer charged excessive closing fee even though seller paying for Title Insurance.
2. Deed from closing not recorded 60 days after the closing (and buyer planned to re-sell).
3. Mortgage liens not satisfied at closing.
4. Incorrect pro-rations on Settlement Statement.
5. Incorrect address for Buyer on Deed causing property tax bill to be sent to the wrong address (Buyer receives notice of past due property taxes).
6. Poor customer service, last minute rush for closing.
7. Unauthorized parties executing closing documents which results in cloud on title.