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2011 – Did 2010 fly by for everyone? Rumors of a much better year for sales in 2011 are in the air . What do you think?

Contact me at sestes@ctmaine.com if you have comments, or to be removed or added to this list.



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*Thank-you Erica Brooks of the Swan Agency for this wonderful picture!
Let me know if you have a picture you would like me to feature...*

Title Insurance Claim True Story

Another Case of Identity Fraud

By First American Title Insurance Company

A loan for over \$200,000 was taken out by the "borrower" in 2002. Repayments were made for almost 2 years before the loan went into default. Possession proceedings were commenced by the lender, with the "borrower" even coming into the law firm's office to accept service. The lender was successful in obtaining possession orders. However, several weeks later, the lender received a surprise when the Sheriff who was attending the property to change the locks was informed that the "borrower" had been dead for over 2 years. It turned out that the deceased had left his property to his daughter in his will and probate had only just been issued. The beneficiary's lawyers had immediately contacted the lender and commenced injunctive proceedings to have the possession orders set aside.

Action: *We were notified and commenced investigations, as part of the "Duty to Defend" coverage under the policy. It turned out that the deceased's niece was the executrix and therefore had custody of the title deeds. Her (now estranged) husband was a mortgage broker who had used the title deeds to obtain a loan by fraudulent means, purporting to be the "borrower". As the injunctive proceedings were on foot and after discussions with the beneficiary's lawyers. We took the view that the claim should be paid.*

RESPA Revisions - Tips

So, here we are a year into the RESPA revisions?
How's it going?

Have you seen smooth transitions?
Or have the new rules made for difficulties?

We, at Consumer Title, have seen quite a smooth transition, but we did spend MANY hours of studying, learning and installing new software.

We experienced a healthy mortgage market, this fall, both in sales and refinancing.

That being said, we have seen a few problems with the RESPA disclosures.

We have started to see some lenders paying more RESPA compliance fees.

Here are a few tips:

1. Be sure the lender has the CURRENT selling price, even if the loan amount does not change. Transfer Tax is an important NO Change figure to the lender. Lenders must round up to the nearest \$500.00 for an accurate estimate.
2. Any payments the seller is making for the buyer need to be disclosed to the buyers lender, as they are required to be disclosed as buyers responsibility, even if the seller agrees to pay them.
3. A mobile home on the property requires a UCC search and recordings – Lenders NEED to know if it is a Mobile Home, to be able to estimate recording fees correctly at the beginning.
4. Power of Attorneys also affect recording fees, let the lender know as soon as possible when a POA will be used for the buyer.
5. Remember if you have ANY questions on RESPA, we are just a call or email away.

Thanks - Sue