A False Gift Letter for Down Payment Funds

Q: Can I create a false gift letter for down payment funds?

A: Creating a false gift letter for down payment funds is unethical and against loan closing laws. It can also result in loan fraud, which is a federal crime punishable by up to 30 years in prison and $1 million in fines.

Q: How can I protect myself from fraudulent wire transfer instructions?

A: Always verify the correctness of wire transfer instructions by contacting the closing attorney or a member of their staff via a publicly verified phone number. Do not rely upon emails, text messages, or telephone calls from persons claiming to be the closing attorney or member of the seller’s staff. Such persons may be attempting to get fraudulent wire transfer instructions in an effort to steal your money.

Real Estate Closing Costs

The term closing costs includes a variety of expenses associated with the purchase of property, such as fees for tax attorney services, insurance, loan origination fees, etc. The closing form is required for all federally insured loans. There are certain risks associated with the purchase of a property at the closing. “Prorating” occurs when you and the seller agree to share certain burdens of ownership. For example, property taxes are assessed as of January 1 and are prorated to the parties. Closing costs are less than the amount offered by the seller, then the lender may lien the seller’s contribution to the actual amount of closing costs, in which case you would not be required to exceed the Federal 20% Loan. Some lenders will allow the buyer to exceed the Federal 20% Loan of the actual closing costs.

Q: What is a prorated closing?

A: Proration is a method of allocating closing costs between the buyer and seller based on the date of closing. Closing costs are prorated to the seller for certain burdens of ownership.

Q: What are special assessments?

A: Special assessments are charges for improvements made by the local government to the property. They are levied against the property owner for certain improvements to their property such as sidewalks, sewer lines, streets, repairs, and drainage systems. Certain items (real estate taxes, some utility bills,HOA fees, and revenue stamps payable to the state. In most transactions, payment of these fees is negotiable between the parties. However, you may have to pay a non-refundable escrow fee for deed preparation, cancellation of existing liens, or for closing costs.

Questions and Answers on: Residential Subdivisions

Local governmental units can assess property owners for certain improvements to their property such as sidewalks, sewer lines, streets, repairs, and drainage systems. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money.
Questions and Answers on: REAL ESTATE CLOSINGS

In the typical residential real estate sale, the seller offers to put the property up for sale. The buyer then negotiate price terms, finances, and other contract. At closing, the seller gives the buyer the title to the property. Title insurance companies, such as Fidelity National Financial, offer both comprehensive and inexpensive title insurance plans. Title insurance protects the buyer's investment by providing coverage for damage to the property for which the seller may not be liable. Title insurance is written as an annual policy, and the buyer can choose to purchase coverage up to the full market value of the property. Title insurance may cover losses due to errors in recording the property ownership, boundary disputes, or other defects. The closing agent or attorney will issue a title commitment letter, which outlines the conditions of the title insurance policy. If a non-attorney is handling your closing, that person may render only administrative services related to the transaction. Closing attorneys or title agents will provide you with legal advice.

A final walk-through inspection (aka “walk-through”) occurs after the buyer has signed the purchase contract, and is a chance for the buyer to inspect the property before the closing. It is important to make sure that the property is in good condition and that all repairs are completed before the closing. The buyer should be present during the walk-through to verify that all repairs are completed and that the property is in good condition. If any repairs are needed, the buyer should have a qualified inspector inspect the repairs to ensure that they are properly made.

What kind of inspections do I really need to have out-of-state condition of the property? A: A final walk-through inspection (aka “walk-through”) is a buyer’s final opportunity to inspect the property before closing. It is important to make sure that all repairs and services promised by the seller have been completed before the closing. Ideally, this inspection should occur after the seller has removed all furnishings from the property to avoid any potential problems. One of the most important inspections is the home inspection, which should be performed by a licensed home inspector. The home inspector will check the structural integrity of the property, as well as the heating and cooling systems, plumbing, electrical systems, and other major components of the house. The home inspector will also look for any potential problems, such as damage from water or pests, electrical hazards, or structural issues. It is important to fully understand each step of your real estate transaction and to have a trusted attorney assist you throughout the process and during the closing. Also, read each closing document carefully and do not sign any documents until you fully understand every step of your real estate transaction and have a full understanding of the closing process.