

the closing. The title insurance policy should be kept with your other valuable papers.

***Lichty Brothers Homes limited warranty.*** We provide a copy of the limited warranty in this manual for your review. Please read it thoroughly. **Your limited warranty goes into effect on the date of closing.**

***Promissory Note*** The Promissory Note is from you, payable to the lender in the principal amount of the loan, plus interest. One twelfth of your annual taxes and homeowner's insurance will be added to the principal and interest payment to determine your total monthly payment.

***Deed of Trust*** This encumbers your home as security for repayment of the Promissory Note.

## **Closing Expenses**

Certain customary items in connection with the property will be prorated to the date of closing such as prepaid expenses, reserves required by your lender and homeowner's association, if applicable. Prorations of general real property taxes and assessments will be based on the current year's taxes and assessments, or if they are unavailable, on the taxes and assessments for the prior year.

## **"The Final Number"**

The final cost figure is available near the actual closing date. Although a reasonably close estimate may be determined prior to the date of closing, the proration of several items included are affected by the closing date and cannot be calculated until that date is known.

## **Preparation**

Plan to bring personal check or certified funds (made out to yourself, which you will endorse at the closing) to the closing table. In your planning, be sure to allow time to arrange for and obtain these funds. In addition, please keep the following items in mind.

***Documents*** The Real Estate Settlement Procedures Act (RESPA) provides you with many protections. Under this law you can review the settlement page that lists costs you are paying at closing one day prior to the appointment. Although these documents are not negotiable and thousands of homebuyers have signed them, you should read them before the closing.

***Insurance*** You need to provide proof of a homeowner's policy from your insurance company. Your insurance agent should know exactly what is needed. **We suggest you arrange for this no later than three weeks prior to the expected closing date.**

***Lichty Brothers Homes or Lender Issues*** The title company is not authorized to negotiate or make representations on behalf of any of the parties involved in the closing. Therefore, please discuss any questions, agreements, or other details directly with us or your lender in advance of the closing.