



July 14, 2023

John Smith and Jane Doe
123 Main Street
Windham, ME 04062

CASH BUYER WELCOME LETTER & CLOSING QUESTIONNAIRE

RE: 123 Main Street, Windham, ME 04062

Congratulations on the upcoming real estate transaction and thank you for choosing Cumberland Title Services, LLC to assist you with the title search and closing services.

My name is **Michelle Mayer** and I will be your processor and primary point of contact at Cumberland Title Services, LLC. I am responsible for communicating and coordinating with you, the listing agent, and the seller, to ensure all necessary steps to prepare for closing are completed accurately to allow your closing to occur smoothly and on schedule.

Cumberland Title Services, LLC plays a crucial role in your real estate transaction by completing a title search and issuing title insurance to you on the property. Please understand that Cumberland Title Services, LLC will be acting as your legal representative for the limited purpose of conducting a title search, preparing closing documents, and conducting the closing. If you need legal representation beyond this limited scope, we encourage you to hire your own attorney and we would be happy to provide a referral.

Please note that Cumberland Title Services, LLC requires all buyers in cash transactions to purchase an owner's title insurance policy to protect their title (ownership) in the property from title issues that cannot be revealed by a title search.

Please review the contents of this welcome letter **carefully, and accurately complete the questionnaire within three days of receipt of this letter.** The questionnaire contains important information that is necessary for our office to prepare for your upcoming closing. Please don't hesitate to call or email me if you have any questions about this letter, the questionnaire, or the general closing preparation process.

Thank you. Sincerely,

Michelle Mayer
Cumberland Title Services, LLC
Phone: (207)893-9000
Fax: (207)899-4907
Email: michelle@cumberlandtitle.com

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IMPORTANT THINGS TO KNOW FOR YOUR CLOSING

What is a title search?

A title search refers to the process whereby a professional title abstractor examines the registry of deeds and other public records in the county where the property is located to verify the legal ownership of a property and to identify any outstanding liens or other encumbrances on the property. The search typically includes reviewing information such as deeds, mortgages, and court records to ensure that the seller has the legal right to sell the property and that there are no disputes or legal claims against it. The title search is the most crucial step in the home buying process as it helps to ensure that the buyer receives good, marketable, and insurable title (*ownership*) to the property and reduces the risk of potential title problems related to the property.

What is title insurance?

Title insurance is a type of insurance that protects homeowners and lenders from financial losses due to defects in the title to a property, some of which cannot be revealed by a title search. It provides coverage for issues such as liens, easements, outstanding mortgages, and ownership disputes. When purchasing a home, it is highly recommended to buy an owner's title insurance policy to safeguard your investment. Without title insurance, you could be at risk of losing your property or facing costly legal battles. An owner's title insurance policy ensures that you have ownership of your property and protects you from unforeseen title problems that may arise, that cannot be revealed by a title search. By investing in title insurance, with a one-time premium payment, you are taking a proactive step to protect your ownership and investment in the property. The one-time title insurance premium will appear as a closing cost item on the closing disclosure signed at closing.

The only way to protect your title and ownership in the property is by purchasing a policy of owner's title insurance. Cumberland Title Services, LLC requires buyers in cash transactions to purchase a policy of owner's title insurance.

What is a MLIP?

A mortgage loan inspection plan ("MLIP") is a land surveyor's sketch of a property which depicts the approximate location of: (1) boundary lines; (2) structures such as houses, sheds, and fences; and (3) driveways or other rights of way. MLIPs are also commonly referred to as MLIs, plot plans, or a class D survey. The purpose of an MLIP is to detect boundary issues that could negatively impact ownership of the property, such as encroachments or municipal setback violations. Obtaining a MLIP is a crucial step in the home buying process that can save buyers time, money, and frustration in the long run. The cost of an MLIP ranges between \$350.00 and \$550.00, depending on the size and location of the property. In comparison, a full boundary survey costs upwards of \$2,500.00. It is very important to understand that MLIPs (and tax maps) are not the same as boundary surveys, which show the exact location of property boundary lines, structures, and rights of way.

What is Closing Lock?

Wire fraud is rampant in the real estate industry. Cyber criminals target title companies and buyers and sellers in real estate transactions to intercept and steal funds that are wired to and from real estate closings. Cyber criminals hack emails, impersonate title companies and spoof your real estate agent in an effort to trick you into wiring funds to fraudulent bank accounts that they control. In 2021, cyber criminals stole over \$350 million from 13,638 real estate fraud victims.

Cumberland Title Services, LLC uses Closing Lock, the leading online platform to ensure all wire transfers for our closings are verified and secure. All correspondence related to wire transfers will be through the Closing Lock platform. You will receive text or email notifications to securely send and receive wire instructions. Cumberland Title Services, LLC will never email, text, or call you to require you to wire funds to closing.

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A Closing Lock fee of \$10.00 will be included on the closing disclosure at the closing.

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Are you attending the closing in person?

If yes, great! We look forward to meeting you in person to conduct a smooth closing. Please let us know immediately if you do not plan to attend the closing in person so we can plan to facilitate the closing by one of two alternative methods:

- (1) Mail-Away: If you cannot attend the closing in person, we can arrange to have all closing documents emailed to you with detailed instructions to print, sign all documents before a notary public, email copies of all signed documents, and return all signed original documents using our preaddressed and prepaid FedEx return label. Mail-away closings incur a mail-away closing fee of \$125.00.
- (2) Power of Attorney: We can also help you complete a closing by drafting a Power of Attorney ("POA") to allow someone to act as your attorney-in-fact for the sole purpose of completing the closing documents on your behalf. The fee for preparation of a transaction specific POA is \$200.00.

Please bring your ID!

At closing, you will be required to present a valid government issued picture identification card (i.e. a valid driver's license, state identification card, military identification or a passport). An expired ID is not valid.

How much do I need to bring to closing?

We will inform you of the amount of funds you will need to bring to closing. Please note that closing funds must be presented by either: (a) certified bank check made payable to Cumberland Title Services, LLC; or (b) wire transfer facilitated securely via Closing Lock platform.

BUYER CLOSING QUESTIONNAIRE

PLEASE RETURN COMPLETED PAGES WITHIN THREE (3) DAYS

Section I: Buyer Information

IMPORTANT: Please provide your full legal names as should appear on your deed.

Full Legal Name: (<i>first, middle initial, last</i>)	Full Legal Name: (<i>first, middle initial, last</i>)
SSN No.:	SSN No.:
Daytime Phone No.:	Daytime Phone No.:
Mailing Address:	Mailing Address:
Email:	Email:

Section II: Title

1. How do you want to hold title?

(for buyers multiple owners only)

☐ **Joint Tenants.** With rights of survivorship. Common for married couples. Each joint tenant owns an indivisible 100% title interest in the property.

☐ **Tenants in Common.** No rights of survivorship. Common for owners who are not married or business Partners. Each tenant in common owns only their percentage interest in the property.

(for buyers taking title in the name of business or trust entity only)

☐ **Business Entity.** If you are planning to hold title in the name of a business entity, including a limited liability company, corporation, or general partnership, you must provide copies of the following together with the questionnaire. The following business entity documents must be received three business days before the closing date:

1. Copy of Certificate of Formation filed with Secretary of State
2. Evidence of good standing
3. Copy of operating agreement or bylaws
4. Name, address, and residency of all members, shareholders, partners, as applicable
5. Corporate resolution/ consent/ vote authorizing specific transaction
6. EIN letter from IRS

☐ **Trust.** If you are planning to hold title in the name of a trust entity, you must provide copies of the following together with this questionnaire. The following trust entity documents must be received three business days before the closing date.

1. Copy of Trust Agreement together with any amendments thereto.
2. Name, address, and residency of all trustees of the trust.

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Section III. Mortgage Loan Inspection Plan

We strongly recommend that buyers purchase a MLIP on the property being purchased.
Would you like to order an MLIP? ☐ YES. ☐ NO.

Section IV. Authorization & Consent

The undersigned hereby authorize and consent that our mortgage holder(s), bank, lender, insurance agent, insurance company or any other entity referenced herein, release information to Cumberland Title Services, LLC and/or reQUIRE Release Tracking regarding the payoffs, insurance, etc. This authorization/ consent may be withdrawn at any time by notifying Cumberland Title Services, LLC in writing. If the above referenced account is secured by a Home Equity Line of Credit loan, please freeze the account as we plan to payoff this loan. We further authorize the lender to close out the above referenced credit line account upon receipt of this notice. We agree to pay any charges pending that may not be reflected on the demand for payoff issued to Cumberland Title Services, LLC, and we agree to cease activity on this account.

DATE: _____

John Smith

Jane Doe

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