

Cover Page

Name of Provider: **Florida Land Title Association**

Name of Course: **Closing Sand Traps**

Targeted audience: **Title agents, title industry professionals**

Course Relevance: **To make title agents aware of issues
with delivering deeds, disbursement
and regulatory issues**

Study Method: **Seminar**

CLOSING SAND TRAPS OUTLINE

Teaching Time 50 Minutes

- I. Issues Pertaining to Delivery of Deed 15 Minutes
 - A. General principle: Conveyance of real property effective when deed unconditionally delivered to grantee prior to death of grantor.
 - B. Discuss effectiveness of deed delivered to a third party (settlement agent) prior to death of grantor.
 - 1. Death of grantor after deed signed but prior to settlement agent receiving all of buyer's funds and signed closing documents
 - 2. Death of grantor after settlement agent has received all of buyer's funds and signed closing documents but prior to disbursing closing funds and recording deed
 - 3. Pre-closing planning when seller may die before closing
 - C. Discuss what options are available to settlement agent when Buyer tries to rescind transaction after deed, settlement documents and funds were received by settlement agent but before settlement agent has disbursed or recorded.
 - D. Discuss who to give executed deed to if transaction does not close at your title agency.
- II. Meeting Difficult Requirements set forth in Title Commitment 15 Minutes
 - A. Requirement to terminate Notice of Commencement mid-construction
 - 1. Work stoppage requirement
 - 2. Difficulty getting Contractor's Final Affidavit if retainage unpaid
 - B. Decedent's Estates - Proper requirements where a beneficiary of the estate disclaims his/her interest under section 732.801, Fla. Stat.
 - 1. Effect of disclaimer
 - 2. Time limitations on disclaimer
 - 3. Waiver or bar to disclaimer
- III. Disbursement Issues 10 Minutes
 - A. Disbursing to a third party
 - B. Section 201.01, Fla. Stat. - Documentary stamp tax on deeds
 - 1. Fla. Attorney General Opinion 95-80, 1995 WL 774419 – Paying documentary stamp tax in excess of the purchase price
 - 2. Amount of tax where contract includes personal property
- IV. Government Regulatory Issues 10 Minutes
 - A. Section 627.7843 Ownership and Encumbrance Reports must be on forms approved by the Florida Office of Insurance Regulation (OIR)

- B. Overview of ALTA Residential Limited Coverage Mortgage Modification Policy (12-1-14), with Fla. Modifications, approved by OIR in 2016
- C. FinCen (Financial Crimes Enforcement Network, U.S. Department of Treasury), Geographic Targeting Order
 - 1. Discuss which real estate transactions are covered by the Order
 - 2. Settlement agent's obligations