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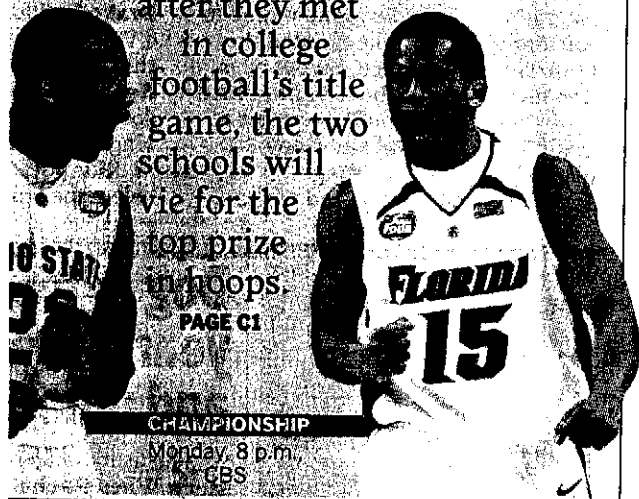
VOL. 106 • NO. 170 •

BASKETBALL

ARCH MADNESS

Buckeyes vs. Gators

Three months after they met in college football's title game, the two schools will vie for the top prize in hoops.

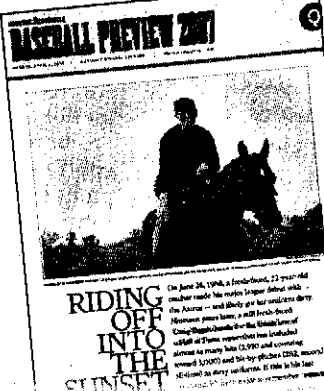


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CHAMPIONSHIP
Monday, 8 p.m.
CBS

ron.com EXTRA: For continuing coverage, please visit chron.com/ncaa

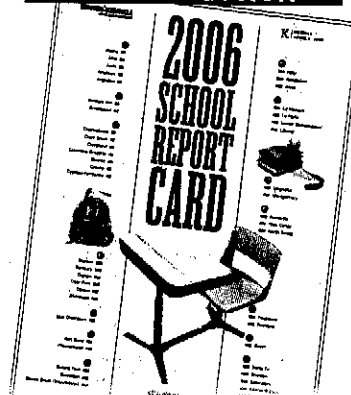
BASEBALL



Saddle up for new season

Check in with Astros thoroughbreds Craig Biggio, Roy Oswalt and others in our annual baseball season preview. **SECTION Q**

SPECIAL SECTION



The ratings and rankings

Find out how your child's school did in our 2006 report card in **SECTION K** and how a nonprofit ranks 97 public high schools on **PAGE B1**.

STAR



SMILEY N. POOL : CHRON

The healing touch

Fahim Ishaq was in his crib when bombs hit his Afghan home. Now, living in Katy while he gets medical treatment, he's teaching his American friends about love and life. **STAR**

chron.com SLIDESHOW: Fahim, 6, hears a bedtime tale at chron.com/life

VANISHING TREASURE

FEARS

All home sales have basic documents in common

Many home sellers are understandably perplexed when confronted with the plethora of documents required to sell their home. While different sales transactions may involve a variety of different documents, there are some documents that are basic to most home sales in Texas.

Such documents include, and are not limited to:

Earnest money

The contract is the document that sets forth the terms of the sale. The contract describes the parties, the legal description of the property, the purchase price, the closing date and other significant provisions. The contract normally requires the buyer to deliver earnest money (consideration) in order to have a binding obligation between the seller and the buyer.

Title commitment

A title commitment evi-



BRETT SLOBIN

dences an obligation of a title insurance company to issue a policy pursuant to the terms in the title commitment. The contract identifies the name of the title company and the date to deliver the title commitment to the buyer.

Buyers require title insurance to be issued in order to have a title company indemnify the buyer against losses resulting from a defect in the chain of title. Even though sellers are not the party being insured, sellers should be aware of the title commitment because sellers normally are responsible, pursuant to the contract, for paying the premium for the buyer's title insurance policy.

Deed

A deed is a written docu-

ment that transfers ownership of land from the seller to the buyer.

In exchange for payment of the purchase price, the seller must execute and deliver a deed conveying title to its land (and the improvements on the land) so the buyer obtains title to the land.

Depending upon the terms of the contract, the seller can either execute a special warranty deed (wherein the seller warrants against title defects arising only during the period of the seller's ownership of the property and not against defects existing before that time), or a general warranty deed (wherein the seller warrants against title defects that arise during and before the seller's period of ownership).

Lien release

Many sellers have borrowed money to purchase the home being sold, and such borrowing

was evidenced by a lien against the home in favor of the lender to secure the lender's debt. This lien will appear in the title commitment.

If the seller fails to satisfy their debt to a lender, then the lender can foreclose the lien on the seller's home and cause the home to be sold.

The contract normally requires the seller to pay off the lien on the home. Customarily the buyer will require the seller to pay off the debt to the lender and deliver the release to the title company for recording.

Closing statement

The closing statement provides evidence of the financial settlement between the parties and details the costs each party must pay as set forth in the contract.

Such costs may include real estate commissions, attorney fees, loan fees, recording fees, title fees, property tax pro-

visions, etc.

Sellers and buyers should examine carefully the closing statement to make certain it accurately reflects the breakdown of costs as set forth in their contract.

Possessing a working knowledge of the above-mentioned documents will provide sellers with assistance in understanding their real estate transaction. Of course, if the seller has any questions, they should consult their attorney prior to executing the contract.

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