

The closing Connection

The six basic steps of closing

You've found the home of your dreams and the seller has accepted your offer. The earnest money has been accepted, you have your loan approval in hand, and you have set the tentative closing date. You have a million things to take care of: packing, scheduling movers, utilities and school records. But what happens in that period between contract and closing?

The process can be handled by attorneys, escrow companies, or title companies. In New Mexico, title companies are the predominant choice. While there are differences among the 50 states as to who handles what, there are seven basic steps followed in somewhat the same order in every transaction:

1. Opening the title order. Upon the execution of a sales contract, the road to closing begins with a unique order number issued to the file. A correct legal description for the property is required so the title work can be ordered.

2. Processing the file. The property's tax information, loan payoffs, survey (if

necessary), homeowner/maintenance fees, inspection reports, legal documents, hazard and other insurances as well as legal papers are ordered and reviewed.

3. Title search. Copies of documents are gathered from public records, including deeds, mortgages, assessments, involuntary liens such as judgments or federal tax liens, wills, divorce decrees, and other documents affecting the title to the property. Documents are copied and delivered to the title examiner.

4. Title examination. Documents found during the title search are examined in order to verify the legal owner of the property. Mortgages, easements, setback lines, and rights-of-way are documented. The title commitment, preliminary report or title report is produced, summarizing all findings affecting the property.

5. Document preparation and/or request to produce. Lender instructions/requirements, title information, and a survey are received and reviewed. Charges are assembled and settlement statements

are prepared. Affidavits or other forms are also prepared by the title company.

6. Settlement/closing the transaction. The long-awaited day of closing is overseen by the escrow officer. The seller signs the deed and the purchaser signs the new mortgage. The current mortgage is paid off and the new mortgage is executed. The seller, real-estate brokers, attorneys and other parties to the transaction are paid.

7. After the closing. While you're shaking hands and exchanging keys, the escrow officer records the appropriate documents with the county clerk. The closing package is returned to the lender. After the recording information is received from the county, the title-insurance policies are prepared and sent to the owner and lender.

Congratulations — you're a new homeowner! There are many important details conducted by your title company. If any one step is overlooked or handled inappropriately, the title to the property



PAULA M. GLOVER

could be jeopardized. Only work with a creditable title company and escrow officer.

If you have questions, please e-mail me at Paula.Glover@stewart.com. I am happy to assist you.

Paula McCarty Glover (505-954-3300) is the president of Stewart Santa Fe Abstract. She serves both as the manager and an escrow officer in Santa Fe and Los Alamos Counties. Her career spans the title insurance, lending and agricultural industries.

Our water Quality

About blue-green copper staining

There are multiple reasons why you may experience blue-green copper staining in your household (sinks, showers, toilet tanks, etc.), but one certainty is that it is not a function of copper in your water supply — regardless of whether you are on well water or a regulated, municipal supply. Copper typically enters a household water supply through the dissolution of copper in plumbing fixtures, pipes and fittings.

Copper is a transitional metal found in surface water and groundwater throughout the United States, with average concentrations of about 20 to 75ppb in drinking water. High concentrations of copper in water are only found near copper mining operations and production facilities. Many households have concentrations above 1ppm (or 1,000ppb) because copper in pipes and fixtures dissolves into the water. Excessive copper in drinking water can

impart a metallic taste and cause adverse health effects such as stomach cramps, nausea and diarrhea. The EPA has set a maximum contamination level for copper at 1.3ppm.

If you suspect high concentrations of copper in your household water, do not heat or boil the water to remove copper as its concentration will actually be increased. Avoid cooking with or drinking water from hot-water taps, because hot water dissolves copper more readily than does cold water. Flushing each faucet individually before using the water for drinking or cooking is a practical option if the faucet has not been used for six or more hours. Water flushed from the tap can be used for watering plants, washing dishes or clothing, or cleaning.

We are alerted to copper staining because of health concerns, damage to plumbing fixtures and through routine testing to determine if consumers are

candidates for salt-free, anti-scalant systems as high concentrations of copper render such systems ineffective. Common causes of excessive copper concentrations are low pH, imbalance of the water, excessive water velocity (especially at right-angles in plumbing), circulating hot-water pumps not connected to timers, high salinity, dissolved oxygen, and the presence of electrical currents.

In the vast majority of cases we have investigated locally, copper corrosion has been determined to be caused primarily by improper electrical grounding. Galvanic corrosion, which can be defined as an electrochemical reaction of two dissimilar metals in the presence of an electrolyte, also occurs. Because of its capacity for carrying electrical current, attributable to dissolved minerals and gases, water acts as an electrolyte. This is the same chemical reaction that occurs within a battery.



STEPHEN WIMAN

Determining the cause of copper staining, and providing the appropriate remedies, should be a cooperative venture between your water-purification specialist and an experienced electrician.

Stephen Wiman has a background in earth science (Ph.D. in geology) and is the owner of Good Water Company in Santa Fe. He may be reached at 505-471-9036 and skwiman@goodwatercompany.com.