



How to Close a Real Estate Transaction in the New Norm

with

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The Positive

People are spending a lot more time in their houses, looking at things to improve upon and possibly thinking about trading up for something bigger and better.

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Marketing

- Virtual Open Houses
- Virtual Showings
- Private Showings

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Virtual Open Houses

While the option to host in-person Open Houses has been removed from the MLS, a new field is now available to add a Virtual Open House to either the Public Open House or Broker's Open House fields.

Add Open House

Open House Type: **Virtual Public**

Act: **Virtual Public**

Date: Start Time: AM ☐ PM ☐

Open House Refreshments: ☐ No ☐ Yes

End Time: AM ☐ PM ☐

Characters Remaining: 500

Virtual Open House URL

More

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Virtual Open Houses

- Use an online virtual service or event tool to schedule a live online walkthrough of the home, such as:
- [Facebook Live](#)
- [Google Hangouts Meet](#)
- [Microsoft Teams](#)
- [Zoom](#)
- [Kleard](#) – on demand Open House

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Virtual Open Houses

Send an email inviting your database to watch OR create a post or event on your Facebook profile or page to invite friends to the Virtual Open House.

While live, you must interact with your viewers: answering questions

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Virtual Showings

- The number of 3-D home tours on Zillow went up 326% on March 20, 2020.
- Best Virtual Tour Software suggestions:
<https://www.goodfirms.co/virtual-tour-software/>

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Private Showings

- Limit # of people
- Recommended 3 people Max
- Private showings to keep track of what people are touching; hand sanitizers, remove shoes or put on booties
- Screen your Buyers

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Screening Buyers

- No longer driving clients around in cars, meet at property
- Limit in-person showings to pre-qualified buyers
 - (NOTE: ask all buyers for pre-qualification letter to avoid potential Fair Housing violation)
- Screening all buyers – questionnaire AND follow CDC guidelines on maintaining social distancing.
- Reserve “in person” for vacant homes.

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Screening Buyers



Visitor Health Screening Questionnaire

As concern over the COVID-19 coronavirus continues to grow, the mortgage finance industry and the National Notary Association is instituting new temporary recommendations and guidance for both Signing Agents and signers/borrowers to reduce the risk of exposure.

Please complete and sign this screening questionnaire and submit it to your contracting party before this signing assignment. Your participation is essential to help us take precautionary measures to protect you and everyone in this setting.

BORROWER'S NAME _____ BORROWER'S MOBILE/HOME PHONE NUMBER _____

CONTRACTING COMPANY _____

SIGNING APPOINTMENT ADDRESS _____

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Screening Buyers

SELF-DECLARATION BY BORROWER		
<i>If the answer is "yes" to any of the following questions, Notary services will be denied.</i>		
Have you or household family members returned from international travel within the last 14 days?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Have you or household family members had close contact with or cared for someone diagnosed with COVID-19 within the last 14 days?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Have you or household family members experienced any cold or flu-like symptoms in the last 14 days (fever, cough, sore throat, respiratory illness, difficult breathing)?	YES <input type="checkbox"/>	NO <input type="checkbox"/>

BORROWER SIGNATURE _____

DATE _____

TO BE COMPLETED BY
CONTRACTING COMPANY

Access to setting (circle one):

Approved

Denied

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Presenting an Offer

- Present the offers virtually.
- Set up GoToMeeting or Zoom meeting to review the offer, addendums, etc.
- Use e-signature for signing

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Inspections

- What are Inspectors doing?
 - Going alone to the property (no buyer, no realtor)
 - Facetime or Zoom meeting the inspection
 - Masks and gloves – CDC requirements
- NOTE: Buyer does not need to be present at the inspection

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Appraisals

- Fannie/Freddie loosened restrictions on appraisals.
- Allowing for appraisal alternatives:
 - Drive-by appraisals
 - Desktop appraisals
 - Exterior Only
- Lender's underwriting decision on how they want to proceed.

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Existing Contracts – COVID 19 Extension

Coronavirus (COVID-19) Extension Addendum to Contract



The clauses below will be incorporated into the Contract for Residential Sale and Purchase, Residential Contract for Sale and Purchase, Vacant Land Contract, or Commercial Contract with the Effective Date of _____, between _____ ("Seller") and _____ ("Buyer") concerning the Property located at _____.

The Coronavirus (COVID-19) pandemic may cause unprecedented impacts to real estate transactions, including but not limited to travel restrictions, self-imposed and/or governmental required isolations, potential closures of offices and institutions required to fund, close and record real estate transactions, and actions or inactions of a homeowners' or condominium association ("COVID Restrictions").

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COVID 19 Extension

If not yet passed or expired, the following date(s) and/or time period(s) is/are hereby extended:
(CHECK WHICHEVER APPLY)

☐ **Closing Date.** Seller and Buyer agree to extend the Closing Date for an additional _____ days (30 days if left blank) or until _____.

☐ **Financing Period.** Seller and Buyer agree to extend the Commitment Period, Loan Approval Period, or Financing Period for an additional _____ days or until _____.

☐ **Inspection Period.** Seller and Buyer agree to extend the Inspection Period for an additional _____ days or until _____.

☐ **Title Cure Period.** Seller and Buyer agree to extend the Curative Period or Cure Period for an additional _____ days or until _____.

☐ **Feasibility Study Period.** Seller and Buyer agree to extend the Feasibility Study Period for an additional _____ days or until _____.

☐ **Due Diligence Period.** Seller and Buyer agree to extend the Due Diligence Period for an additional _____ days or until _____.

☐ **Homeowners'/Condominium Association Approval.** Seller and Buyer agree to extend the Approval Period for an additional _____ days or until _____.

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COVID 19 Extension - Lender

All other non-conflicting terms of the contract remain in full force and effect except if Buyer has obtained approval for the loan and either the terms/conditions of the loan approval expire or lender refuses to fund the loan due to COVID Restrictions, then Buyer may cancel this Contract by providing written notice to Seller the earlier of Closing Date or within two (2) days of expiration/notice of refusal. Buyer shall be refunded the deposit, thereby releasing Buyer and Seller from the Contract.

Seller _____ Date _____ Buyer _____ Date _____

Seller _____ Date _____ Buyer _____ Date _____

COVID-1 Rev 3/20
Serial#: 063767-000158-4590103

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Form
Simplicity

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Title Company – ALTA Best Practices

- **Arriving to a Closing:** Guests are encouraged to use hand sanitizer and/or wash hands upon arrival at our office.
- **Symptomatic Clients:** Any guest who exhibits symptoms that may be like coronavirus (fever, cough, shortness of breath, etc.) must notify staff upon arrival and we will escort out of common areas into a private closing room.
- **Post-Closing Disinfecting:** After each closing, the chairs, table and door handle will be wiped down with disinfecting wipes or bleach solution.
- **Closing Table Items:** Remove pens, paper, extra reading glasses and other items normally found on the closing tables. Distribute new pens to each closing participant and not re-used.

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Title Company – Best Practices

- **Lobby Items:** All reading materials, ceramic mugs and other re-usable items have been removed.
- **Children's Play Areas:** Remove children's play areas and place in storage.
- **Hand Sanitizer:** Provide hand sanitizer in closing spaces. If none is available, encourage employees and visitors to wash their hands before and after any closing or other meeting.
- **General Environmental Cleaning:** Cleaning personnel are using appropriate germ-killing solutions when cleaning office areas after-hours.
- **Social Distancing:** When possible, stay approximately six feet from others.

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Alternatives to Traditional Closings

Drive-through/Curbside Closings:

- Everyone (Buyers, Sellers, Realtors) remains in their respective vehicle or some other sort of barrier
- Settlement agent goes to each car for signatures
- Everything is sanitized: disposable pens and clipboards, masks, gloves, etc.
- Once approved for disbursement, settlement agent delivers packages and checks to each party.

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Alternatives to Traditional Closings

Outdoor Closings:

- Parks, outside office at tables
- Social distancing key

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Alternatives to Traditional Closings

Social Distancing:

- Inside Settlement Agent's office.
- 6' apart at table closing
- Following CDC sanitization requirements

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Alternatives to Traditional Closings

Remote Online Notarization:

- The performance of a notarial act using electronic means in which the principal appears before the notary public by means of audio-video communication technology.
- The online notary may be either an employee of the settlement agent or an employee of the RON Service Provider.
- If an employee of the settlement agent is not the online notary, the settlement agent must either attend the online notary session or review the audio-video recording prior to closing the transaction.

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Alternatives - RON

1. The closing agent signs up with a RON service provider.
2. When it is time to notarize a document the closing agent will upload the document to the RON service provider site.
3. The closing agent will input the information for the party signing the document and other requested information.
4. The closing agent will then schedule a time for the document to be notarized through the RON service provider.
5. The Notary will then virtually contact the signer at the specified time and go through the process of notarizing the document with the signer and, if required, the witnesses.
6. The closing agent will then receive the notarized document from the service provider to record or use for other purposes.

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Alternatives - RON

Approved RON Vendors

DocVerify

<https://www.docverify.com/Products/E-Signatures/E-Notaries/Remote-Electronic-Notarizations>

Nexsys

<https://www.nexsystech.com/clear-sign/>

NotaryCam

www.notarycam.com

Notarize

www.notarize.com

Expedite

www.blackknightinc.com/markets-we-serve/mortgage/loan-origination-solutions/expedite-close/

Pavaso

www.pavaso.com

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RON Issues

- Lenders are not set up with RON Service Providers, OR
- Lenders want to use their own RON Service Provider
- RON Service Providers – overwhelmed!

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Alternatives to Traditional Closings

Other Options to Closing in the New Norm:

- Documents explained virtually through Zoom, GoToMeeting, et al.
- General Forms signed ahead of time electronically

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Fraud – Coronavirus Scams

CNBC – 4/3:

- * Government agencies, like the IRS, the Federal Trade Commission and the Social Security Administration, are warning consumers to be vigilant as fraudsters try to take advantage of them during the coronavirus pandemic. "Whenever crises erupt, the scammers and fraudsters have a heyday," said Sally Greenberg, executive director of the National Consumers League, a consumer advocacy group. "We see so much fraud related to COVID-19 because people need answers, aren't thinking straight and are somewhat confused." There's been an uptick in financial fraud connected to the \$2 trillion coronavirus relief package signed into law last week. *

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Fraud – Coronavirus Scams

- Cybersecurity researchers have identified a growing number of phishing scams in which fraudsters are using the coronavirus to entice victims.
- Potential Risks:
 - More employees working remotely: not following best cyber business practices.
 - People 65 and older isolated: not interacting with as many friends, neighbors and senior service providers

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Fraud – Coronavirus Scams

- <https://www.consumerfinance.gov/coronavirus/> – tips on how to protect your finances
- Report scams to ftc.gov/complaint.
- The [Eldercare Locator](#), a public service of the U.S. Administration on Aging, connects older adults and their families to services: 800-677-1116.

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Small Business Help

The Coronavirus Aid, Relief, and Economic Security (CARES) Act

- AKA Paycheck Protection Program
- Provides 100% federally guaranteed loans to small businesses.
- These loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward.
- almost \$350 billion to help small businesses keep workers employed
- <https://www.uschamber.com/co/small-business-coronavirus>

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Small Business Help

Information/Guidance SBA Resource Page:

- <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>
- <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>

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Disaster Loan Assistance Application:

- <https://covid19relief.sba.gov/#/>

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Additional Resources

- <https://www.floridarealtors.org/>
- <https://www.nar.realtor/coronavirus>
- <https://www.alta.org/business-tools/coronavirus.cfm>
- <https://www.flta.org/Coronavirus/>
- <https://www.consumerfinance.gov/coronavirus/>
- [https://www.mba.org/news-research-and-resources/mba-coronavirus-\(covid-19\)-updates](https://www.mba.org/news-research-and-resources/mba-coronavirus-(covid-19)-updates)

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**BE SAFE & THANK
YOU!!!**

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