



**WHAT YOU SHOULD KNOW  
BEFORE YOU CLOSE**

For more information, please contact your local Old Republic Title representative, or visit our website at **[oldrepublictitle.com](http://oldrepublictitle.com)**.

**HAWAII**



## WHY OLD REPUBLIC TITLE?



### **SUCCESS ON YOUR TERMS**

Old Republic Title\* and its underwriter Old Republic National Title Insurance Company, herein "Old Republic," provide title and escrow products and services for individuals, businesses and governments. Our services are highly comprehensive and flexible to respond to changing market environments and to ensure your transaction is settled according to the most current industry standards. We're committed to expediting the timely close of your real estate transaction by underwriting and managing each transaction with the highest levels of technical skill, client services and professional integrity.

### **CERTAINTY MATTERS**

When real estate ownership is transferred, the stakes are high and reputations are on the line. Our products and services protect our clients from judgments and liens, forged transfers, inconsistencies within a property's title or misapplication of fiduciary funds. This is what makes title examination and insurance policies – like those provided by Old Republic – invaluable.



## **REPUTATION AT WORK**

Old Republic is a subsidiary of Old Republic International Corporation, a multi-lined insurance corporation, which is one of America's 50 largest shareholder-owned insurance businesses. The Old Republic Title Insurance Group\*\* of companies have been issuing title insurance and providing peace of mind to its clients for over a century. We offer residential and commercial title insurance products as well as a variety of other title insurance related services through a national network of branch offices, subsidiaries and over 8,300 independent policy-issuing agents.

(\*) ORTIG underwriters are: Old Republic National Title Insurance Company and American Guaranty Title Insurance Company.

(\*\*) Old Republic Title Company, Old Republic Title Insurance Agency, Inc., Old Republic Title of Nevada, Old Republic Title, Ltd., Old Republic Title & Escrow of Hawaii, Ltd., Old Republic Title of Oregon.

# THE ESCROW PROCESS

## ESCROW OPENED

Escrow number issued, contract and deposit received by escrow

Preliminary Report/Commitment prepared and distributed for review

Additional terms and appropriate invoices from companies such as termite companies, homeowner associations, roofers, inspection companies, home warranty companies etc. forwarded to the Escrow Officer.

## CLOSING DISCLOSURE SENT BY THE LENDER OR ESCROW OFFICER TO THE BUYER FOR REVIEW

Seller Closing Disclosure sent to the seller by the Escrow Officer  
Estimated Settlement Statement sent to the respective buyer's and seller's agents

Escrow receives loan documents and lender instructions for scheduling the signing

## SIGNING DATE IS SCHEDULED

Buyer and Seller to bring valid ID to the signing appointment  
Buyer to bring funds to close

Signed documents are returned to the lender and funds are requested to close

Funds are received from the lender and documents sent to the County Recorder for recording

Confirmation of recording is received, funds are disbursed, final settlement statement is prepared and final CD is sent to the buyer by the lender or Escrow Officer



## CONGRATULATIONS

Escrow is now closed. Keys are typically delivered by the agents or the seller to the new homeowner and the Owner's Title Policy is delivered by mail.

Thank you for choosing  
**OLD REPUBLIC TITLE!**

Effective 10.23.15 | For loan applications taken after October 3, 2015, the buyer/consumer must receive the new Closing Disclosure (CDI) at least three business days prior to the date the buyer/consumer is scheduled to sign the loan documents.

A start to finish checklist on what you'll need to provide and what to expect throughout your Escrow transaction.

## BUYER'S CHECKLIST



### PRIOR TO ESCROW SIGNING:

#### Escrow Requirements:

- ❑ Let your Escrow Officer know the best way to contact you (telephone numbers including home, cell or work and email).
- ❑ Fill out the Information Request form (provided by Escrow Officer).
- ❑ Decide how you would like to hold title to your new home. You may want to consult with a lawyer or a qualified professional before making this decision.
- ❑ Let your Escrow Officer know if funds are coming from the sale of an existing home.
- ❑ Upon receipt of your loan documents, your Escrow Officer will call you with the amount needed to close which is required in the form of a wire transfer or cashier's check payable to Old Republic Title.

#### Hazard Insurance:

- ❑ Obtain quotes and make a decision on your agent and coverage.
- ❑ Give your Escrow Officer the agents name and phone number (preferably 30 days prior to close of escrow).

#### Loan Approval:

- ❑ Provide lender with all documents for the loan approval.
- ❑ Ensure names are spelled correctly on loan application and as you would like them to appear on your deed.
- ❑ Remind your loan agent that the Escrow Officer needs loan documents prior to your appointment date (24 hours in advance if possible).
- ❑ Please contact your Escrow Officer if you receive notice of a change to these wire instructions.
- ❑ On-line banking transfers are not all the same.
- ❑ "Electronic Funds Transfer" is a generic term for funds transfers, one of which is an ACH Transfer. On-line banking transfer are often completed through an ACH Transfer, not a Wire Transfer. Old Republic Title & Escrow of Hawaii, LTD. rejects all ACH Transfers and returns the funds to the sender (Government Entities/Agencies excluded.) Close of Escrow may be significantly delayed as a result of an ACH Transfer.
- ❑ If you want to transfer funds by Wire Transfer from a non-United States financial institution, or have questions with

regards to acceptable funds, please contact your Escrow or Title Officer immediately.

- ❑ Balance of down payment due into Escrow two business days prior to recordation.

### AT ESCROW SIGNING:

- ❑ All individuals named on the Mortgage must be present at the signing. If this causes a conflict please let your Escrow Officer know as soon as possible.
- ❑ All must present valid identification in the form of a CURRENT Driver's License, Passport, Department of Motor Vehicles Identification Card, or other approved identification card provided it has a photograph, description of the person, signature and an identifying number.

### WHEN DO I GET THE KEYS?

After you sign all of the documents the Escrow Officer will prepare them to record at the Bureau of Conveyance Office. If there is a lender involved the Escrow Officer will work with the lender to "fund the loan". When the funds are in escrow the Escrow Officer will send the Deed(s) to the Bureau of Conveyance to be officially recorded. When you hear "we are on record" the transfer of title has occurred and you now own the home.

Keys will be handed over by the sellers or the seller's agent to you or your agent and the recorded Deed will be mailed to you from the Bureau of Conveyance Office usually within 2-3 weeks.

### WHEN DO I GET THE KEYS?

If uncertain who to turn to for answers below are the best sources for most common questions:

- **Details of your purchase agreement**  
Your Real Estate Agent
- **Final amount needed to close Escrow**  
Your ORTC Escrow Officer
- **Possession of keys to home**  
Your Real Estate Agent
- **Loan requirements and financial matters**  
Your Lender or Mortgage Company
- **Hazard Insurance - Insurance Agent Escrow Instructions**  
Your ORTC Escrow Officer
- **How to take title or ownership**  
Attorney or Legal Advisor

# SELLER'S CHECKLIST

## PRIOR TO ESCROW SIGNING:

- ❑ Let your Escrow Officer know the best way to contact you (telephone numbers including home, cell or work and email).
- ❑ Fill out Statement of Information form, if required (provided by Escrow officer).
- ❑ Fill out Information Request form (provided by Escrow Officer). Be sure to provide complete and accurate account numbers, social security numbers and Homeowners Association (HOA) information, if any. This information is needed to help avoid delays in obtaining payoff demands.
- ❑ Let your Escrow Officer know if the property being sold is NOT your primary residence. Advise your Escrow Officer if someone on title is deceased.

**Note: With the receipt of the buyers' loan documents your Escrow Officer will contact you to set up the signing appointment.**

## AT ESCROW SIGNING:

- ❑ All individuals vested in title must be present at the signing. If this causes a conflict please let your Escrow Officer know as soon as possible.
- ❑ All must present valid identification in the form of a CURRENT Driver's License, Passport, Department of Motor Vehicles Identification Card, or other approved identification card provided it has a photograph, description of the person, signature and an identifying number.
- ❑ If your sales proceeds will be wired into an account, you will need to provide the name of the institution, routing number, and account number.

## AFTER THE CLOSE OF ESCROW:

- ❑ Cancel your fire insurance (you may need to show a copy of your Settlement Statement which will be provided to you in your closing papers).
- ❑ Notify utility companies.
- ❑ Submit change of address to DMV and Registrar of Voters.

## SIDE NOTE

If uncertain who to turn to for answers below are the best sources for most common questions:

- **Details of your purchase agreement**  
Your Real Estate Agent
- **Final amount you will net at closing**  
Your ORTC Escrow Officer
- **Property Taxes**  
Your Lender or Mortgage Company
- **Income (personal taxes)**  
Certified Public Accountant (CPA)



# WIRE FRAUD PREVENTION PLAN

 Receive an **EMAIL** message with wiring instructions

 Receive a **TEXT** with wiring instructions


 Receive a **PHONE CALL** with wiring instructions or to confirm receipt of email/text




Do not reply back to any messages

Tell caller you are going to hang up and verify the information

**CALL** at least one of the numbers written on the contract (not a number provided in the email/text or by phone caller)



**TALK** to one or more of the trusted parties below to **VERIFY** the instructions



**SEND WIRE!**

According to the FBI, in 2021 victims of email account compromise reported losses of **\$2.396 BILLION**.

The Internet Crime Complaint Center (IC3) receives, on average **2,300 COMPLAINTS** per day. - FBI (2021).

Save these numbers in an easily accessible secure location

**TRUSTED PHONE NUMBERS**

- Agent
- Escrow Officer
- Lender
- Buyer/Seller
- Other

# HARPTA FIRPTA

## HARPTA

The Hawaii Real Property Tax Act (1990) which says that a sale of Hawaii Real Estate by a Non-Hawaii resident is subject to a Hawaii State Tax. The tax liability belongs to the seller, and 7.25% of the total sales price will be withheld and submitted to the State of Hawaii Department of Taxation.

There are some exemptions from this withholding:

- Hawaii Resident (Must fill out form N-289, which is provided to seller in opening instructions).
- Foreign corporations and partnerships which are registered to do business in the state of Hawaii (Must fill out form N-289, which is provided to seller in opening instructions).
- Property used as principal residence for year prior to the sale and sales price does not exceed \$300,000

For more information on these taxes, please call the appropriate departments or visit their website.

### HARPTA - State of Hawaii Department of Taxation

- Oahu: 808.587.4242
- Maui: 808.984.8500
- Kauai: 808.274.4356
- Big Island - Hilo: 808.974.6321
- Visit [www.hawaii.gov/tax](http://www.hawaii.gov/tax)

### FIRPTA - Internal Revenue Service

- [www.irs.gov](http://www.irs.gov) and search *FIRPTA*

## FIRPTA

Under current federal law, if a foreign person sells US real property, the buyer is obligated to withhold 10% of the gross sales price and remit this to the IRS. However, pursuant to the Protecting Americans from Tax Hikes Act of 2015, which became law on December 18, 2015 (the "PATH Act") **the required 10% withholding will increase to 15% for all closings occurring on or after February 17, 2016**, except those wherein the sales price is greater than \$300,000 and does not exceed \$1,000,000 and the buyer acquires the property for use as a personal residence. Under the circumstance, a reduced withholding of 10% will apply.

Sales Price \$300,000 or less and the buyer acquires as personal residence	No Withholding
Sales Price more than \$300,000 but not more than \$1,000,000 and the buyer acquires as personal residence	10% Withholding
All transactions - Any Sales Price and the buyer NOT acquiring as personal residence	10% Withholding

In short, **if a foreign person is selling a US real property interest, the following parameters apply UNLESS THERE IS AN EXCEPTION FROM WITHHOLDING:**

No withholding is required under the following circumstances:

- Buyer acquires for use as a personal residence and sales price not more than \$300,000.
- Seller provides Non-Foreign Affidavit.
- Seller provides a Withholding Certificate from the IRS which excuses the withholding.
- The amount realized by the seller is zero.
- The property is acquired by the United States or a political subdivision thereof.





# WHEN YOU RETURNED TO OLD REPUBLIC, THESE ARE THE REDUCED PREMIUMS OFFERINGS

		Title Reduction	Escrow Reduction
<b>One-Year Residential Financing Rate</b> 50% reduction	The rate is applicable to an ALTA Loan Policy that insures a new first loan secured by a single family residential property or residential condominium when the new order for title insurance is placed with the Company within twelve (12) months from the date of the issuance of prior owners or loan policy covering the subject property.	YES	NO
<b>Revamping or Replacing an Insured Deed of Trust Rate</b> 65% or 35% reduction	<ul style="list-style-type: none"> <li>• 65% reduction of the Basic Insurance Rate if the prior insurance was issued by Old Republic National Title Insurance Company. Minimum charges apply.</li> <li>• 35% reduction of the Basic Insurance Rate if the prior insurance was issued by a company other than Old Republic National Title Insurance Company. Minimum charges apply.</li> </ul> The Mortgagor/Mortgagee must be the same party as shown in the encumbrance insured by the outstanding policy; and the remaining unpaid balance of the loan must be 60% or more of the original principal amount. The charges apply up to the amount of the insurance stated in the original policy, insurance in excess thereof shall be charged for on an increased liability basis at the appropriate per-unit rate.	YES	NO
<b>Short Term Rate</b> 25% reduction	The rate is applicable to owners and lenders policies when the current order is placed within sixty (60) months of the date of the issuance of a prior owners or loan policy of title insurance.	YES	NO
<b>First-Time Home Buyers</b> 25% reduction	This rate is applicable to natural persons who request this rate and can demonstrate to the satisfaction of the Company that they are a first-time buyer of residential property in Hawaii in which they shall reside. The first-time home buyer may purchase a standard coverage owner's policy insuring the purchase in an amount up to \$500,000.	YES	NO
<b>Investors Rate</b> 30% reduction	A standard coverage owner's policy or an ALTA Loan Policy may be issued upon the request of persons who are engaged in the business of investing in real property for owners and lenders insurance.	YES	YES
<b>Senior Citizens Rate</b> 25% reduction	A standard coverage owner's policy or an ALTA Loan Policy may be issued for owners and lenders insurance upon the request of persons who can demonstrate to the satisfaction of the Company that they are at least sixty-two (62) years of age and are selling or purchasing their own personal residence.	YES*	YES
<b>U.S. Armed Forces Rate</b> 25% reduction	This rate is available upon request to active duty and retired members of the United States Armed Forces who hold valid military identification. It applies to standard coverage Owner's Policy or an ALTA Loan Policy issued in connection with the sale, purchase or financing of the Member's personal residence.	YES	YES

\*Senior Citizens Rate title reduction also available for financing of personal residence.

# IMPORTANT REMINDER: HOME EXEMPTIONS



## FILING FOR EXEMPTION

To file for an exemptions or get more information, visit the county where your property is located:

- **Oahu:** <http://www.realpropertyhonolulu.com>
- **Maui:** <http://www.mauipropertytax.com/>
- **Big Island:** <http://www.hawaiipropertytax.com/>
- **Kauai:** <http://www.qpublic.net/hi/kauai/>

**BUYER Reminder:** Don't forget to file for your tax exemption when buying.

**SELLER REMINDER:** Don't forget to file for your change of status.



## A FRIENDLY REMINDER:

Make your transition a smooth one! Call your utility company to connect and/or disconnect your service. Most times, these requests are handled by computer transfer, so please be sure to have your dates readily available.



**Hawaiian Electric  
Maui Electric  
Hawai'i Electric Light**

**Hawaiian Electric Company, Inc.**  
[www.heco.com](http://www.heco.com) | 808.548.7311



**Spectrum**  
[www.spectrum.com](http://www.spectrum.com) | 888.406.7063



**Board of Water Supply**  
**Board of Water Supply**  
[www.hbws.org](http://www.hbws.org) | 808.748.5030



**Hawaiian Telcom**  
**Hawaiian Telcom**  
[www.hawaiiantel.com](http://www.hawaiiantel.com) | 808.643.3456



**HAWAII GAS**  
THE CLEAN ENERGY COMPANY  
**Hawaii Gas**  
[www.hawaiigas.com](http://www.hawaiigas.com) | 808.535.5933

# MOVING TIPS



## 8 WEEKS BEFORE THE MOVE

- If moving yourself, get estimates for a moving truck and make a reservation.
- If using a moving company, hire one with good references. It should be licensed/bonded and have workers' compensation insurance. Ask about discounts, get estimates in writing and make a reservation. If using movers to pack, schedule at least two days before the move.
- Create a file for receipts and important information needed during the move.



## 7 WEEKS BEFORE THE MOVE

- Gather copies of legal, medical, dental, financial and pet immunization records for your move file.
- Arrange to transfer school and veterinarian records.
- Contact health clubs and organizations to cancel or transfer memberships.



## 6 WEEKS BEFORE THE MOVE

- Begin purging your home. Decide what to keep, discard, sell or donate.  
Plan a garage sale.  
Use up household products you don't want to move.



## 5 WEEKS BEFORE THE MOVE

- Arrange for storage, if needed.
- Submit a "Change of Address" form to the post office.
- Arrange for necessary repairs to your current home.



## 4 WEEKS BEFORE THE MOVE

- Host a garage sale and donate unsold items.
- If moving yourself, determine how many boxes you will need.
- Arrange to cancel, transfer or initiate utility services.



## 3 WEEKS BEFORE THE MOVE

- Gather moving supplies:
  - \_\_ Boxes
  - \_\_ Labels
  - \_\_ Packing Tape
  - \_\_ Scissors
  - \_\_ Bubble Wrap
  - \_\_ Newspaper
  - \_\_ Nylon String and Rope
  - \_\_ Styrofoam Peanuts
  - \_\_ Furniture Pads
  - \_\_ Utility Knife

## 2 WEEKS BEFORE THE MOVE



- Transfer bank accounts to new branches and cancel payment arrangements on accounts you're closing.
- Cancel or transfer delivery services and subscriptions.
- Notify legal, medical, dental, financial, insurance and home maintenance professionals; Schools; and government offices (tax assessor, state vehicle registration, Social Security, IRS and VA) of your move.
- Give friends and family your new address.
- Confirm parking for your moving truck or container. Obtain permits, if needed.

## 1 WEEK BEFORE THE MOVE



- Arrange for a sitter to care for your children while you are packing or moving, if needed.
- Fill prescriptions you will need during the move, and transfer maintenance medications to a pharmacy near your new home.
- Add copies of your driver's license, vehicle registration and insurance to your move file.

## 2 DAYS BEFORE THE MOVE



- Have payment ready for the moving truck or company.
- Set aside items that should travel with you: valuables, changes of clothes and your move file.
- Pack your shipment. Load goods in a pre-designated order, saving "last load" items for the rear of shipment.
- Empty and defrost your refrigerator.

## MOVING DAY



- If moving yourself, pick up the truck as early as possible.
- If using a moving company, read the conditions before signing the "Mover Agreement" and add it and your bill of lading to your move file. Supervise movers and give them a contact number to reach you.
- Create a list of every item loaded onto the truck.
- Conduct a final walk-through of every room, including closets, attic and garage, to make sure nothing is left behind. Turn off the water and all appliances.
- Leave future tenants a note with your new address so they can forward stray mail.
- Lock all windows and doors.

## DELIVERY DAY



- Make sure utilities are connected and appliances work before moving in.
- Gather essential first-day items:
  - \_\_ Cleaning Supplies
  - \_\_ Toilet Paper
  - \_\_ Scissors
  - \_\_ Masking Tape
  - \_\_ Trash Bags
  - \_\_ Snacks and Drinks
  - \_\_ Paper Plates & Plasticware
  - \_\_ Cups and Mugs
  - \_\_ Writing Utensils & Paper
  - \_\_ Basic Toiletries
- Clean your new home
- Refer to your list to check off items as they come off the truck.
- Install new locks.
- Unpack and enjoy your new home!

# MOVING WITH PETS



## PET MOVING TIPS

The act of moving from one place to another can be both exciting and scary for most people. However, a pet, whether a dog, cat, or bird may feel only fear when moving to a different place. Moving means getting used to an entirely different place often filled with strange smells and unusual sounds. The very process of moving can often mean long hours in an unfamiliar environment surrounded by strangers. This can be very traumatic for an animal. Help minimize this sense of terror in your beloved pet with a few advance precautions.



## CREATING A PET PACK

If you're moving your pet by car, there are several things you should plan on taking with you on moving day:

- An old bed sheet or blanket to protect your car upholstery.
- A favorite toy or two, and an old T-shirt or rag with your scent on it.
- Two plastic containers - one should have fresh water, the other should have food and treats.
- Medications that your pet may need.
- A leash for when you make rest stops with your pet.
- Even if your pet doesn't typically get car sick, it is better to be safe than sorry...bring paper towels, a sponge, and plenty of plastic bags.



## MOVING PETS BY CAR

- Dogs and cats may find car travel extremely distressing. Some may even get car sick. You should be prepared to make many stops along the way.
- If traveling to your new home by car, make sure to get your pet comfortable to auto travel by taking it on short trips around the neighborhood.
- Several small pets (such as birds, guinea pigs, etc.) can be easily transported via automobile. A good, simple way of keeping them calm and quiet is to cover their cage with a cloth.
- Don't feed your pet for seven hours prior to your trip. Pack a container of fresh, cool water, and stop frequently for walks.
- Long distance moves may require an overnight stay. Remember to call hotels in advance to make sure that they will allow your pet to stay in the hotel.



### **MOVING PETS BY AIR**

If you're moving your pet by air, contact the airline well in advance to check regulations and services:

- Consider direct flights to minimize the amount of time your pet will be confined.
- Select a portable air-transport kennel that's large enough for your pet to stand and move around a bit. Let your pet get accustomed to the kennel well in advance of the trip. Don't forget to mark the kennel with "Live Animal," your pet's name, your new address and phone number and any special handling instructions.
- After boarding your plane, ask the flight attendant to confirm your pet has been loaded on the plane.
- For more details, please review the FAA website [https://www.faa.gov/passengers/fly\\_pets/](https://www.faa.gov/passengers/fly_pets/)



### **BEFORE THE MOVE**

There are a few things to accomplish before you begin moving with pets. Before leaving, schedule a veterinary examination to check your pet's health, obtain copies of vaccination records and a health certificate (if required), update identification tags and discuss a tranquilizer or precautionary measures for the trip.



### **MOVING DAY**

Pets often become nervous and uncertain on moving day and may exhibit strange behavior as they communicate their uncertainty. In addition, nothing is more saddening or frustrating than closing the back doors of a moving van only to discover that a loved pet is missing. Before the big day arrives, try to arrange for your pets to be left at a friend's or relative's house while everything is loaded; this not only keeps them out of the way where they won't be harmed, but will help them stay a bit more relaxed while their familiar toys and furniture are packed and loaded.



### **ARRIVING AT THE NEW HOME**

When pets arrive at their new home, they may remain nervous or agitated for a time as they adjust to their new climate and surroundings. Moving is an experience that pets aren't used to, and sometimes they act strangely as a result. If your pets are escape artists or extra noisemakers, be sure that their living areas are secure and that there are a number of familiar items around to help imprint the idea that the new home is there to stay. If your pets make too much noise at night---as lonely pets are apt to do---talk with your local veterinary specialist for some dieting and animal prescription tips that will help the pet adjust to the new environment.

\*This information is not intended to replace the advice of your veterinarian. Please seek the advice of your veterinarian concerning the health and well-being of your pet.



VISIT US ONLINE AT:  
[WWW.OLDREPUBLICTITLE.COM/HAWAII](http://WWW.OLDREPUBLICTITLE.COM/HAWAII)

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Old Republic Title strongly recommends that consumers confer with their title insurer as underwriting requirements vary among companies and further, obtain guidance and advice from qualified professionals, including attorneys specializing in Real Property, Trusts and/or Title Insurance to get more detailed, and current, information as to any particular situation affecting them.



**OLD REPUBLIC INSURANCE GROUP**