

## Which Documents Matter?

Let's face it, there is a mountain of paperwork associated with real estate.

Some of these documents are more important than others. Here's how to sort it all out.

Once your transaction is complete, it can be difficult to determine which papers to file away for safekeeping. Some of them will be critical if an issue arises with the financial or legal status of your mortgage or home.

Since the average homeowner can't determine which is which, many lenders simply recommend that you keep all of the paperwork dealing with the purchase and mortgage for the life of your home loan. They warn against converting these documents into digital formats, since online storage may put private information like your Social Security number at risk.

Keep all paperwork in a safe-deposit box or fire safe. When it's time to get rid of them once the house is paid off, shred it all safely. In the meantime, here's a look at which documents matter the most.

### LOAN AND CLOSING DOCUMENTS

Most of what you'll sign at a



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### REAL ESTATE 101

#### Do You Need a Warranty?

Home warranties are particularly comforting when buying an older home, but they are sometimes included on new builds, too. Key elements to seek coverage of with all homes include: heating and air conditioning; windows and ventilation; and electrical systems and plumbing. With new construction, be wary of issues with drywall and paint, structural defects and doors and trim.

home closing involves the loan itself and various closing documents. The disclosure, for

instance, details the costs of your loan. A closing statement lists additional costs. The mort-

gage outlines the terms of your loan. You should also have copies of appraisals and inspection

reports. All of these documents are critically important, and must be kept safe in case they're later needed.

### INSURANCE POLICY

Keep this policy in a fire-proof and waterproof place, since it will be needed in case the unthinkable happens. This paperwork will describe your deductible, coverage limits and other key elements of your plan. You'll need quick access to all of that information in the event of a disaster.

### CONTRACTS

Retain the purchase agreement, whether you're selling a home or buying one, as well as all signed contracts with the real estate agent. Keep all seller disclosures, as well, in case an unmentioned issue with the property is later revealed.

### OTHER DOCUMENTS

Hang on to all of the documentation after remodeling projects or making an addition, since they will help establish the value of your improvements should you elect to sell later on. Consider taking before and after photos, too. After you've sold or paid off a mortgage, keep the subsequent release forms from your lender. These may come in handy if there is an issue with taxes or reporting to credit bureaus.





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#### HOMEWISSE GLOSSARY

**Title search:** A review done by the title company's representative of all records available to determine if the title is indeed clear of all liens and claims. **SOURCE:** MLS.com

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