

New law effective September 1, 2005 that affects the form of funds closing agents can accept from Buyers in closings involving Tennessee residential properties

Pursuant to Public Chapter 273 of the Public Acts of Tennessee 2005, funds for all residential loan closings now must be received by the settlement agent **at or before** closing in the form of a wire or a Cashier's Check. There are certain "Teller's Checks" and "Official Checks" that are permitted if drawn on certain financial institutions; *however*, to keep it simple and avoid delays, remember that wired funds or "Cashier's Checks" are always acceptable and permitted under the new law.

If additional funds other than those wired or included in the cashier's check are required at closing and that amount exceeds \$1,000.00, it must also be provided in the form of wired funds or a Cashier's Check.

In order to comply with the new law in Tennessee, purchaser's funds should only be

transmitted by wire

or

delivered via Cashier's check

Other forms of funding may not be acceptable and will require advance approval before use. Contact your settlement agent before closing.

The new law applies to all residential purchase and residential refinance loan closings involving property located in the State of Tennessee, including vacant lots intended for residential purposes.

Contact our office at 901-758-5588 for wiring instructions.

To view a complete copy of the new act, go to:

<http://www.legislature.state.tn.us/bills/currentga/Chapter/PC0273.pdf>