



Sunday Column

By Kim Bragman, 2020 Chairman

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Top tips for a trouble-free closing

You've found the perfect house—or buyer—and you're on your way to closing, where ownership of the property is officially transferred and money changes hands. This final stage of a real estate transaction has many steps. Your San Antonio area REALTOR® can help you navigate the closing process and answer questions that may arise, but here's some advice to help you prepare.

Understand the closing process

Before closing, buyers should review everything that has been done in connection with inspections, title work and surveys to make sure that there are no loose ends. If the contract calls for the seller to make repairs, the buyer should confirm that the work has been completed to his satisfaction. Ensure that the lender knows the time and date of the closing and has copies of any contract addenda.

In addition, the buyer needs to complete several tasks before closing:

Obtain homeowner's insurance. The policy should be in place and ready to go in effect days before closing.

Review closing documents ahead of time. There are pages of documents that buyers have to sign and you should understand what they all mean. There won't be enough time at the closing to read them, so get copies in advance.

Make sure that the money is available. Transfer funds, obtain a cashier's check—do whatever must be done to have the funds on hand. The lender will provide a statement of the buyer's actual costs a few days before closing, so he'll know just how much that check should be.

What if the closing is delayed?

Even if the transaction doesn't close on time, it doesn't mean it won't close in a week or two. Sometimes the seller has a problem clearing a title, which can lead to a buyer's concern about a locked-in interest rate. Buyers should know how long their rate is frozen for and have a plan in place with another lender if the closing gets delayed beyond that point.

In some cases, buyers may have trouble securing financing. In this case, sellers can entertain contingent contracts from other buyers. These contingent contracts usually don't come into

play. But when the original contract doesn't close on time, the seller may move on to the next offer and sell the house before the first buyer can receive funding.

Final steps to closing

Prior to closing, you want to be certain that all the conditions of the contract, like seller repairs, have been met. Before signing your name to any closing documents, check that everything is correct, including the interest rate, fees charged and condition of the property.

Change the name on the utilities. The buyer should verify that the seller has canceled his accounts and have service scheduled to be turned on.

Schedule a walk-through. Conduct the walk-through near the closing date, but leave a few extra days as a cushion if the contract calls for the seller to make repairs prior to closing.

Whether you're the buyer or the seller, making a list is a great way to cover your bases. Here's what it could include:

Buyer's closing checklist

- A cashier's check or money order for the amount specified on your final settlement costs statement
- Your personal checkbook in the unlikely event other charges come up at closing
- Proof of a homeowner's insurance policy
- Your lender's good faith estimate
- Some form of identification (i.e., driver license, passport, etc.)

Seller's closing checklist

- Keys, padlock combinations and garage-door openers
- Codes to security system (if applicable)
- Owners manuals for all appliances
- Checkbook for closing costs or other expenses paid by seller (as agreed to as part of the buyer's final offer)

Although few closings encounter major setbacks, it can happen. To ensure your transaction closes quickly, make sure you're prepared.

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