

THE CLOSING DAY

The home inspection is done. The homeowners insurance has been obtained. Your whole life has been packed into lots and lots of brown boxes. The day you have been waiting for is finally here: **CLOSING DAY!** If everything is in order, the closing can run smoothly and ownership of the property will be transferred to you with no problems.

Before the congratulations are given and the fireworks go off there is going to be a lot of signing. Be prepared to sign an average of 50 documents. You'll have to sign settlement statements, mortgage documents (if applicable), legal disclosures, affidavits and more. You will be signing a lot of the same documents you signed during the loan process, and triplicate versions of others. Our industry loves paper and wants to make sure you really understand what you are signing.

WHAT IS A REAL ESTATE CLOSING?

The real estate closing is also referred to as settlement. The two terms are interchangeable, though "closing" is the more common usage in our area. This is the final step in a real estate purchase transaction. It's when property ownership is transferred from the seller to the buyer and the keys and garage door openers get handed over.

There will also be a final distribution of funds on closing day. The sellers will receive a check for whatever proceeds they earned from the sale. The real estate agents will receive a check for their commissions, if applicable, the home buyer will have to provide a cashier's check or wired funds to cover what is needed for closing.



WHAT HAPPENS ON THE BIG DAY?



As mentioned earlier, there is a lot of paperwork that goes along with this process. The title company will have most of the documents ready to go - they'll just need to be signed. The closer will explain the documents that you are signing so please make sure you understand them before signing. Make sure your names are spelled correctly, your marital status is correct and that there are no other discrepancies found. If you are obtaining a loan, it is extremely important to confirm the loan terms are as you expected. Notable items to confirm are interest rate, loan term and loan amount. Once you sign these documents and closing is finalized, this loan is set in place and cannot be changed.

WHO WILL BE THERE?

You can't (or shouldn't) eat all the cookies yourself so the following parties are generally present at the closing:

- Buyer(s)
- Buyer(s) real estate agent
- Seller(s)
- Seller(s) real estate agent
- Title company closer
- Loan Officer/Lender Representative
- Attorney(s): the buyer/seller may have attorney(s)



Not everyone above makes it to the closing. The seller may presign. The seller may be a large bank or government entity that just sends a deed. Your lender may not be able to make it. No one may have an attorney. But rest assured there will be you and your closer. It cannot be done without them.

WHAT DO I NEED?



- Cashier's check payable to your title company (unless funds were wired)
- Driver's license or other government ID
- Personal checkbook in the event figures change at closing
- Patience

EVERYTHING IS SIGNED. NOW WHAT?

Now everyone is done signing, the closer will leave the room to make a set of copies for you and print the checks to distribute. Some lenders require that the signed loan documents be sent to them for approval before checks can be handed out. This is a great time for you and the other party to discuss things like security codes, trash companies, neighbors, and keys.

If you are going to be occupying the property as your primary residence, title will also provide you with a homesteading packet to take to the appropriate city or county office. They will provide you with instructions and a list of locations for your particular property.

Lastly, exchange handshakes, take pictures, check in on Facebook and go move in!

