



TOP 10 CLOSING DELAYS

1 Determining Ownership - Death, Divorce, Trusts, etc.

Verify all owners/sellers names; make sure they are listed on your contract. If any changes have occurred in marital status, such as divorce, there may be an ownership change. If a death has occurred, we will need to determine if a probate or heirship is necessary. If the property is vested in a trust we will need the certificate of trust to determine who the authorized trustee(s) is (are) to sign for the sale of the property. Not addressing this early could delay your closing and funding!

2 Foreign Seller

At the listing appointment, determine if the seller is a "foreign person," as defined by applicable law. If you believe the seller could be classified as a foreign person, notify your escrow officer and all parties to the contract. A foreign person requires certain IRS documentation from both the seller and buyer with most of the obligation falling upon the buyer. A withholding equal to a percentage of the sales price will be paid to the Internal Revenue Service. Not addressing this early could delay your closing and funding!

3 Lender Information

We are required to obtain the seller's loan payoff information. We will need the name and phone number of their lender, their loan number, and the full social security number for each person on the loan. A written payoff demand must be obtained from each lien holder by the title company. Not addressing this early could delay your closing and funding!

4 Survey

If an existing survey is to be provided to the buyer by the seller per the contract. Failure to provide the affidavit with the existing survey could result in the seller paying for a new survey. It is likely any improvements to the property not accurately depicted on the prior survey (new deck, new fence, pool, home addition, etc.) will result in a new survey being required. Changes/additions revealed at closing could delay the closing, pending the receipt of a new survey. If the prior survey cannot be located or is not approved by the title company or new lender, a new one will be required. Not addressing this early could delay your closing and funding!

5 Identification

Valid, unexpired U.S. government issued photo ID are required for each person signing documents. A State issued driver's license, a military ID and/or a passport are acceptable forms of identification. Expired identification could delay your closing and funding!

6 Clouds on Title

Tax liens, judgments, HOA liens, missing liens, IRS liens, bankruptcy and any other involuntary liens will be addressed and some could take an extended time to clear. It is important to have open lines of communication between the seller and the title company to clear any and all clouds on title. Often the lienholder will not speak with a third party regarding these matters without authorization from the seller. Clouds on title could delay your closing and funding!

7 Contract Dates

All dates in the contract should be complete. The effective date is the catalyst for all requirements/conditions in the contract. Incomplete dates in the contract can lead to confusion and misunderstandings which could delay your closing and funding!

8 Repairs Not Completed

Agreed repairs must be completed in a timely fashion. Completion of repairs in the contract is often a lender requirement to satisfy the loan. Lenders can require the appraiser to re-inspect the property prior to closing to certify the repairs per the contract were completed and all is in good safe working order. Not completing repairs could delay your closing and funding!

9 HOA & HOA Addendums

If the property is in a subdivision with a mandatory owners' association, pay special attention to the boxes and blanks on the contract HOA addendum indicating the party responsible for delivering the subdivision information as well as the time frame required for delivery. Failure to satisfy this requirement within the allotted time may result in the buyer terminating the contract and the earnest money being refunded to the buyer. Waiting too long to order this information could delay your closing and funding!

10 Short Sales & Foreclosures

It is important to understand the process when contracting into a short sale or foreclosure. These closings are delayed simply because of the situation. Even after the contract is signed, the current lienholder still requires the seller to go through a process before approving the sale. Patience and compliance is the key to navigating through a short sale or foreclosure. Everyone is at the mercy of the current lienholder. Not understanding and adhering to the process could delay your closing and funding!