

CLOSING DETAILS

Clients often ask: **what should I expect at closing/settlement.** First, it is important to know what to bring to closing. Here is a detailed list of requirements:

- Both parties: bring a valid picture identification, such as a driver's license
- Buyer: you will need to bring a certified or cashier's check (made payable to the settlement company) for the total amount of your closing costs or have arranged to wire the money to the settlement company.
- Seller: keep in mind your proceeds will not be available until after the deed is recorded at the Courthouse which can occur the following day depending on if closing takes place late afternoon.

Second, clients often ask - **how long a closing lasts?** A closing for a purchase usually lasts about 30 to 60 minutes. It's often the buyer who is there the longest signing lenders documents.

Third, clients ask - **who will be at closing?** At a purchase, both parties (buyers and sellers) attend along with their agents. The parties sign all documents, and the purchaser signs the lender's documents. As each document is presented to the parties for signing, the settlement agent explains the purpose of each document.

Most clients are also very interested in **how much everything costs** and **what documents are being signed** at closing. Typically, the first document reviewed at settlement is the HUD-1 Settlement Sheet. This document outlines all of the charges to each party, including Lender's Fees, Escrows, Government Recording Charges, the Survey, the Termite Inspection, HOA/Condo dues, and the Title Company's Fees. After reviewing the HUD-1 and signing our documents, the Seller will sign the deed, which transfers ownership of the property to the Purchaser. Once the deed has been signed, then the purchaser can commence with signing the Lender documents, which include the Note (which outlines the conditions of your loan) and the Deed(s) of Trust (a Security Instrument making the home the collateral for the loan's repayment).

We also hear questions about what buyers and sellers need to be prepared for after closing. Several important events occur after the day of closing to conclude the closing process:

- The first step is the recording of your Deed and Deed of Trust at the local county courthouse. This step alerts the public (via the land records office) to the fact that the ownership of the property has changed into the names of the Purchasers
- Once recording occurs, the next step is the distribution of all funds, whereby the Seller receives his/her proceeds and the deeds of trust are paid in full and closed
- After learning that the documents have been recorded, the settlement company also sends the lenders a packet of all the documents they require from settlement
- Additionally, the Purchaser will need to remember that if s/he purchased an Owners' Policy as part of the title insurance, then the Policy will be mailed to the Purchaser after closing. This process usually takes between six to ten months as the Policy is not drafted until the county returns the recorded documents to the settlement company

Finally, we understand that the settlement/closing process can be stressful and we hope that this information will make the process smoother.