

Step-by-Step: A home closing checklist for buyers and sellers

By Erin K. Witt

Although closing is often considered the finish line of the home sale and purchase process, it can be a stressful and complicated event.

The following checklist will help both buyers and sellers prepare for closing, and will help both parties ensure a more positive experience.

For buyers:

- Have you made a final walkthrough inspection of the property?
- Is the condition of the house or property as it should be? Were there any personal property items left behind by the seller? Is everything in working order? Did you order a home warranty policy for future repairs and review that policy?
- Are you satisfied that the seller provided you with all the required disclosure documents or any known defects on the property?
- Have you carefully reviewed your mortgage closing documents? Are the lender's closing costs represented correctly? Are there any "junk fees" added on that you do not agree to? Are the names correct on the mortgage or deed of trust documents?
- Are the loan amount, interest rate, term of the loan and prepayment penalty correctly stated? Have you been informed when will your first mortgage payment be due, and where the payment will be made?
- Do you agree with the title fees being paid to the title company, attorney or escrow agency? Are they the same as previously quoted to you?
- Do you understand the prorations, those items or costs of which you will pay a portion of or be given a credit for? Are the prorated dates and amounts correct?
- Is it clear on which day you will take possession of the property? Will the seller hand over the keys on the day of closing or at a later date?
- Is the purchase price correct on the closing documents?
- Have you been credited for all deposits put into escrow either by you or on your behalf?
- Is your name correct on the grant deed? Is it spelled correctly, and does it include your correct middle initial?
- Is the manner in which you will take title stated correctly? Is the legal description of the property correct? Does this description conform with the one given in the title report? Are all the easements and rights-of-way properly listed?
- Were any questionable items on the title report removed or explained to your satisfaction?
- If there is any personal property included? Are you being given a bill of sale, and do you agree with the items included?
- Are you paying for fire insurance yourself outside of escrow or through the closing agent? Is the premium correct and is the policy for a full year?
- Are the property taxes being paid in full, and have you been informed when the next property tax bill will become due?

- ❑ Does your state allow a Homestead exemption? If so, and if you want to choose this option, have you asked how you file for Homestead exemption status?
- ❑ Have you checked that the return address on the deed is where you will want the recorded deed to be sent?

For sellers:

- ❑ Have you removed all your personal property items?
- ❑ Have you left the property in the condition you promised you would?
- ❑ Is the sale price and payoff information correct on your closing documents?
- ❑ Were you given credit for any items to be credited to your account?
- ❑ Is a satisfaction of mortgage or payoff document being prepared for your old loan?
- ❑ If you will be signing a bill of sale for personal property items, are those correct?
- ❑ Are the prorations correct? Have you checked the dates on these debit and credit items?
- ❑ Do you know what day you must vacate the property? Is it the day of closing?
- ❑ Have you agreed to perform any repairs or other work before or after closing?
- ❑ Are the title and closing costs as you understood them to be?
- ❑ Is the attorney fee, closing agent, transfer tax and title insurance fees correct?
- ❑ Did you correctly make any disclosures as required by your state or federal law to the new buyer? Or, did you sell the property in "as is" condition?
- ❑ If there was a REALTOR involved in the sale, is that fee correct?
- ❑ Is any money being held back in escrow on your behalf? If so, how and when will it be released?