

WHAT TO EXPECT AT A REAL ESTATE CLOSING

- Allow adequate time for your closing. A normal real estate closing when a loan is involved will take about an hour.
- Bring some form of photo ID; preferably a driver's license. This is required in the State of Florida in order to notarize documents.
- All funds for closing are required by law to be certified. Certified funds can only be obtained from a bank or credit union; brokerage firms cannot issue certified funds.
- You may wire funds into the account of the closing agent's office if you prefer. However, a wire transfer can take several hours to be posted in their account. In addition, there is a fee for either sending or receiving a wire transfer. Please initiate all wires the day before the scheduled closing to insure that the funds will be available at the closing.
- The closing agent will make every possible effort to provide you with a complete Settlement Statement at least 24 hours before closing so that all parties have a chance to review. However, they cannot complete the buyers side until the buyer's lender has given them instructions and approval. Sellers' sides should be complete sooner and are customarily accessible upon request. Receipt of payoff statements are usually the only figure that will hold up finalization of the Seller's side.

THE FOLLOWING IS A LIST OF DOCUMENTS GENERATED BY THE TITLE COMPANY THAT THE SELLER WILL GENERALLY BE REQUIRED TO SIGN

- The Settlement Statement (also called, HUD-1): Itemizes the fees paid by both the buyer and the Seller and gives the bottom line figure due to each party.
- Tax Proration Agreement: An acknowledgement by both the Buyer and the Seller that taxes have been prorated between them using the best available information, and contains an agreement to recalculate the tax proration when the actual tax bill is available.
- Sellers' Affidavit: A statement certifying that the Seller is the true and lawful owner of the property, that there are no liens against the property other than those disclosed and that there are no other matters which would adversely affect the property.



- Payoff Statement: Issued by the lender being paid off, this shows the principal balance, accrued interest due, and any fees required in order to satisfy the loan.
- Notice to Seller: General information for the Seller regarding insurance, the payoff, the survey, and the termite inspections and typographical errors.
- Warranty Deed: The document which is recorded in the Public Records and transfers legal ownership of the property.
- 1099-S Exemption Form: States that the criteria exempting the requirement for reporting to the IRS have been met; if this is not the case a 1099-S form will be issued.

THE FOLLOWING IS A LIST OF DOCUMENTS GENERATED BY THE TITLE COMPANY THAT THE BUYER WILL GENERALLY BE REQUIRED TO SIGN

- The Settlement Statement (also called, HUD-1): Itemizes the fees paid by both the buyer and the Seller and gives the bottom line figure due to each party.
- Tax Proration Agreement: An acknowledgement by both the Buyer and the Seller that taxes have been prorated between them using the best available information, and contains an agreement to recalculate the tax proration when the actual tax bill is available.
- Purchasers Affidavit: A statement that the Buyer has no knowledge of any matters that would adversely affect title.

THE FOLLOWING IS A LIST OF DOCUMENTS GENERATED BY THE LENDER (IN THE EVENT BUYERS ARE TAKING A LOAN TO PURCHASE THE PROPERTY) THAT THE BUYER WILL GENERALLY BE REQUIRED TO SIGN

Most all residential loan packages will contain the following. Each Lender will have different documentation other than these standards;

- Note: The promise of the Borrower to repay the loan, and the basic terms of the agreement.
- Mortgage: The document which is recorded in the Public Records granting the lender a lien on the property to secure the loan. This document gives the lender the right to foreclose if the Borrower defaults on the Note.
- Truth-In-Lending Statement: A required disclosure to the Borrower stating the annual percentage rate (this rate contains the fees charges by the lenders and ads them to the note rate) and the total cost of the loan over its life.
- Anti-Coercion Statement: An acknowledgement from the Borrower that the lender did not require the homeowner's insurance to be purchased from a particular company.
- IRS Forms W-9 and 4506: The W-9 enables the lender to report the interest paid annually to the IRS. The 4506 is used in the event of an audit by HUD and allows the lender to obtain copies of tax returns directly from the IRS.
- Payment Letter: Gives the amount and due date of the first payment.
- RESPA Servicing Disclosure: Discloses to the Borrower that the lender has the right to transfer the loan on the secondary market.
- Compliance Agreement: An agreement by the Borrower to correct clerical or typographical errors.
- HUD-1 Addendum: A statement that the HUD-1 Statement is a true, accurate and complete statement of the transaction.
- Loan application: A typed copy of the borrowers Loan Application

EACH TRANSACTION IS DIFFERENT AND AS SUCH ADDITIONAL DOCUMENTATION MAY BE REQUIRED.



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