WAYS TO AVOID A CLOSING DELAY

BN BNT of Texas™

Closing on a home is a monumental time in your life! This stage can be exciting but also comes with unique challenges. In fact, home closings can sometimes become overwhelming because things can go wrong during the process. Here are several ways you can minimize your chance of encountering problems and delays before reaching the closing table.

WAYS BUYERS CAN AVOID CLOSING DELAYS

1. Refrain from making large purchases or applying for new loans when buying a home. Adding additional debt can impact your credit history, affecting a lender's final decision about whether you are approved for financing.
2. Do not make any career changes during the process. If you lose your job before closing, disclose this information to your lender as soon as possible.
3. Review your Closing Disclosure carefully. Let your agent know if you spot a problem immediately.
4. Check your loan documents for errors like misspelled names. Finding this mistake in advance may help keep the closing process running more smoothly.
5. Before wiring any money, verify all instructions (over the phone) with your lender and title company. Take the necessary steps to protect yourself from wire fraud.
6. Use a certified or cashier's check to make your down payment. Large bank transfers sometimes encounter delays, and down payments cannot be made with personal checks.
7. Keep an eye out for deadlines. Unfortunately, some lenders promise closings faster than they can approve the file. Do your best to communicate with your financial institution to try to avoid this scenario.
8. Budget ahead of time for closing costs. Even better, try to create a financial cushion to avoid extra delays.
9. Call to get your insurance quote as soon as you are under contract. Doing so can help eliminate insurance problems before they arise.

WAYS SELLERS CAN AVOID CLOSING DELAYS

1. Ensure that you begin the closing process with a title free of any problems or clouds. Review the preliminary title report carefully, checking for any issues.
2. Ensure you have the right to sell the home legally. If another individual has a claim to the property, this will need to be settled before closing.
3. Avoid damaging the house or neglecting inspection repairs, which can cause a problem with the final walkthrough.

ADDITIONAL WAYS TO AVOID CLOSING DELAYS

Sometimes, things happen, or "fate" intervenes, causing a closing delay. However, you can do a few things to minimize these risks.

1. Ensure the contract addresses the exact possession date so no one is confused.
2. Address the possibility of the buyer's or seller's death in the contract by stating that the contractual obligations go to their heirs if they die before closing.
3. Make plans if the buyer or seller gets sick on closing day. Sometimes virtual walkthroughs are available, and other arrangements can be made.
4. Don't forget to bring a valid form of legal identification to closing.
5. Address what happens in the contract if someone changes their mind. Sometimes the buyer loses their earnest money in this situation.
6. Ensure the contract contains verbiage concerning what would happen if a natural disaster damaged the property.
7. Hire an experienced, knowledgeable real estate agent who is less likely to "drop the ball" before closing day.
8. Have a plan if the home's appraisal is lower than the purchase amount. You can provide more cash towards the purchase price, dispute the appraisal, or negotiate with the seller for a lower price.
9. Be prepared for possible inspection issues. Consider using an inspection contingency within the contract to minimize problems.
10. Think about how you'll handle any negative information on the seller's disclosure report.
11. Again, plan how to deal with problems involving easements, boundaries, or survey disputes if they arise.
12. Watch out for home sale contingencies, which can delay closings.
13. Ensure you have an accurately drafted real estate contract and proper representation to keep the transaction on track.

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