

Real Estate Agent Tips For a Timely Closing



Although closing procedures vary from state to state, having an understanding of what may be required at closing and preparing accordingly will help the settlement process go as smoothly as possible.

» **LEGIBILITY:** Make sure the contract and any handwritten documents are easy to read.

» **CONTACT INFORMATION:** Provide email address, phone numbers and office address, along with preferred method of communication and best time to contact, for all parties involved in the transaction; real estate agents, buyer(s), seller(s), attorneys, surveyor, inspector, Homeowner Association or Condo Association, etc.

Buyers should provide a current physical address, not a Post Office box, to receive documents, if necessary. Sellers should provide forwarding address and new contact information in the event contact is required after closing.

» **TRANSACTION FEE/COMMISSIONS:** Provide the amount to be listed on the closing documents and the parties paying/receiving these fees.

» **ADDENDUMS:** Provide closing agent with copies of any revisions and/or addendums as soon as possible.

» **BILLS PAID:** If debts pertinent to the transaction are to be listed on the closing documents and paid at closing, provide copies to the closing agent at least one week prior to closing. Once the closing documents have been approved by all required parties, modifications could delay the closing.

» **MARITAL STATUS:** Providing current marital status of all parties will help ensure accuracy of the deed and determine whether additional parties need to sign closing documents.

» **POWER OF ATTORNEY AND TRUST DOCUMENTS:** The use of a Power of Attorney (POA) must be approved in advance of settlement by the closing agent and/or lender. If you are planning to use a POA or the property is being held in or placed in a Trust, inform the closing agent and lender as soon as possible.

» **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA):** If the seller is not a United States citizen, the closing agent may be required to deduct and withhold a tax equal to 15% of amount realized (generally the amount paid for the property). Please advise your customers to review the FIRPTA requirements prior to closing.

» **INTERNAL REVENUE SERVICE (IRS):** All real estate transactions must be reported to the IRS. Inform your seller(s) that they will be asked to provide their social security number(s).

» **MAIL-AWAY:** If any parties are unable to attend the closing, provide physical address(es) where the closing documents should be delivered and a contact phone number. Some documents may require the services of a notary.

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