

You just bought a house!!! NOW WHAT?



- Once you sign a purchase agreement to purchase a home or new property, many details need to be taken care of in preparation for your closing.
- Communication with your lender, insurance agent and seller are key to a smooth purchase transaction.
- The Title company will be in touch with you as your closing date approaches — make sure you let them know any updated information about yourself such as name change, contact information, etc.
- You may receive the final HUD-1 (also known as the settlement statement) very close to the date of your closing — or even the same day! But if you prepare in advance, you should not be surprised with new details at the last minute.
- At the closing you will sign all the documents required to transfer the property into your name and finalize your loan documents. The closing should take about 30 minutes to an hour — depending on how many questions you have! Be sure to bring two forms of government issued ID!

Just call—we'll help!

Contact me for any questions you have regarding your new home purchase

Your Salesperson is:

Telephone: _____

Your Purchase Agreement Manager is:

Telephone: _____

Your Closing Coordinator is:

Telephone: _____

Don't forget to check our website for helpful information and links!!
www.buildingsolutionsllc.com



BUILDING SOLUTIONS, LLC

THE CLOSING



LOOKING AHEAD

A GUIDE TO YOUR
NEW HOME PURCHASE

WHAT IS A CLOSING?

This is the process where ownership of property is legally transferred to the purchaser. Closing on your new home does not have to be a bewildering experience—if you know what to expect ahead of time. You may see some of the following terms and fees on your Settlement Statement (also known as the HUD-1).

When you apply for a loan, request a good faith estimate. This will provide you with a general idea of costs you can expect in addition to the purchase price of your home and will most likely include some of the following terms and fees.

- ▶ **LOAN CHARGES**
Processing fees charged by the lender.
- ▶ **LOAN POINTS**
Typically a percentage of your loan amount.
- ▶ **ESCROW**
Money held in trust by a third party — typically your lender (to pay future obligations associated with your loan—like taxes or HOA dues), or the title company who may be holding your deposit until the closing.
- ▶ **TAX PRO-RATION**
If your closing is going to be in November or December, local taxes will have been paid in advance by the previous owner and may be charged back to you at settlement. For all other months you will receive a credit at closing for estimated taxes, as you will be responsible when the new tax bill arrives. A lender may also require tax payments be escrowed and require three or more months' payment be included on your HUD-1.
- ▶ **RECORDING**
When property ownership is legally transferred at closing, documents are typically recorded with your city or county.
- ▶ **TITLE SEARCH & INSURANCE**
Public records are reviewed to see if any person or entity has a claim to your property. Lenders require Title Insurance to ensure that title to your property is clear of prior claims and is insured should a subsequent claim arise. Owners Title Insurance protects the purchaser against such claims. You will receive an Owner's Title Insurance policy after your closing and after your recorded documents are received back from the local city or county.

- ▶ **ADMINISTRATION/COURIER**
This fee covers title costs associated with processing your file, preparing and shipping documents.
- ▶ **SURVEY**
A survey is required to determine the exact property location and boundaries.
- ▶ **CREDIT REPORT**
Your lender may charge a fee for checking your credit history.
- ▶ **APPRAISAL**
This is an estimate of the fair market value of your home and helps determine if the sales price is consistent with the actual value. It also helps the lender determine the risk level of the loan.
- ▶ **NEW HOME ORIENTATION**
Also known as the final walk through on your home. You will meet a builder representative and become acquainted with your new home.

Typical Service and Fees*

| | |
|---------------------------------|---|
| Appraisal | \$250-350 |
| Credit Report | \$15-60 |
| Survey | \$250-350 |
| Recording | \$50-200 |
| Title Search | \$100-300 |
| Title Exam | \$100-200 |
| Title Insurance (Owner Policy) | (\$5.75 per thousand for first \$100k, \$5.00 per thousand over \$100k) |
| Title Insurance (Lender Policy) | \$250 |
| Admin/Courier | \$120-200 |

*These fees are meant to be used as a guideline and depict examples of typical industry fees. This schedule should in no way be used to determine a quote or actual fee for services.

*The time to stop
talking is when the
other person nods his
head affirmatively
but says nothing.*

HENRY S. HASKINS