

## **Real Estate Pre-Closing Checklist for Sellers**

Below is a checklist of typical steps that sellers should plan for:

- Acceptance of Offer
- Provide Condominium Disclosures (if applicable)
- Prepare for Home Inspection
- Respond to Inspection Repair Requests
- Order Septic Test
- Order Well Water Test
- Respond to Testing Repair Requests
- Order Survey
- Prepare for the Appraisal
- Order Title Insurance
- Prepare the Deed or Conveyance Documents
- Review Transaction Paperwork and Legal Documents
- Move Out
- Clean the House
- Transfer Utilities

There may be additional steps that are specific to your situation. It is highly recommended that sellers contact a real estate attorney to ensure that all legal documents, communications, and closing criteria are lawfully met.

### **Contingencies – What Problems Could Cause Closing Delays?**

A seller needs to meet every contract contingency requirement and deadline or request an extension to the Offer. While some issues may arise that may be out of the seller's control, it is valuable to understand the most common reasons for closing delays.

**Financing Problems** – The most common reason for a closing delay is a financing issue on the buyer's side. In these situations, buyers may have submitted an offer without loan pre-approval or offered a price outside their budget. In other cases, it may not be the buyer's fault at all, but the lender is simply unable to meet the deadline and needs an extension to finalize the financing.

**Appraisal Problems** – Issues during the appraisal process are rare but can occur. One such problem is that the home's appraisal value is lower than the price in the offer to purchase. Discrepancies in the appraisal value can lead to lender financing issues and may require renegotiating the sale price. Another, more common issue is that the appraiser is simply unable to finish the appraisal by the contract deadline and requires an extension.

**Inspection Problems** – An official home inspection may reveal unexpected issues with the property. Depending on the severity of the inspection defects, you may have to hire a licensed contractor to make repairs or discount the sale price.

While these problems can be frustrating and delay the closing process, an attorney can resolve most of these issues. Talk to your real estate attorney to develop a plan if any of these problems arise.



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### **Title Work**

Title preparation is an essential part of the real estate closing process for buyers and sellers. A house title is the historical ownership record of a property that shows who currently owns the property, contains the legal description of the property, and shows any liens encumbering the property. Liens against the property prevent a property owner from having a 'clean' title. A property owner may need to fix the title before selling the property. A complete title review is a necessary step to ensure that the property can be sold to a buyer.