



Two Days Prior to Closing Checklist

You should have:

- ★ Confirmed with the buyer/seller the date, time, and place for closing and whether or not you will attend.
- ★ Discussed with the buyer/seller potential delays, if any, such as delivery of legal documents by lender.
- ★ Confirmed with the buyer/seller that they understand what “good funds” are and have made arrangements with **Tiago Title** for transfer of funds at closing.
- ★ Reminded the buyer/seller of who must attend the closing and that all parties bring proof of identification to the closing.
- ★ Talked to the buyer/seller about the potential for a delay in funding, if any, and that the closing is not necessarily completed at the time the documents are executed.
- ★ Confirmed with your broker that the commission breakdown is accurate and faxed to **Tiago Title**.
- ★ Confirmed with the lender/borrower that underwriting requirements have been fulfilled and, if not, what items must be delivered to **Tiago Title** at closing.
- ★ Confirmed with the lender that loan documents will be delivered on time for scheduled closing.
- ★ Given to **Tiago Title** the original Power of Attorney, if necessary.
- ★ Given to **Tiago Title** the name of home warranty company to be used.
- ★ Notified **Tiago Title** if there is a temporary lease agreement and rents to be collected at closing, if not part of original contract.
- ★ Given to **Tiago Title** all repair invoices and evidence of completion.
- ★ Talked about with **Tiago Title** the delivery of proceeds requirements for seller.
- ★ Confirmed who has the keys to the property and when they will be provided to the buyer.

Dallas

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Dallas, Texas 75225
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214.389.5104 (Fax)

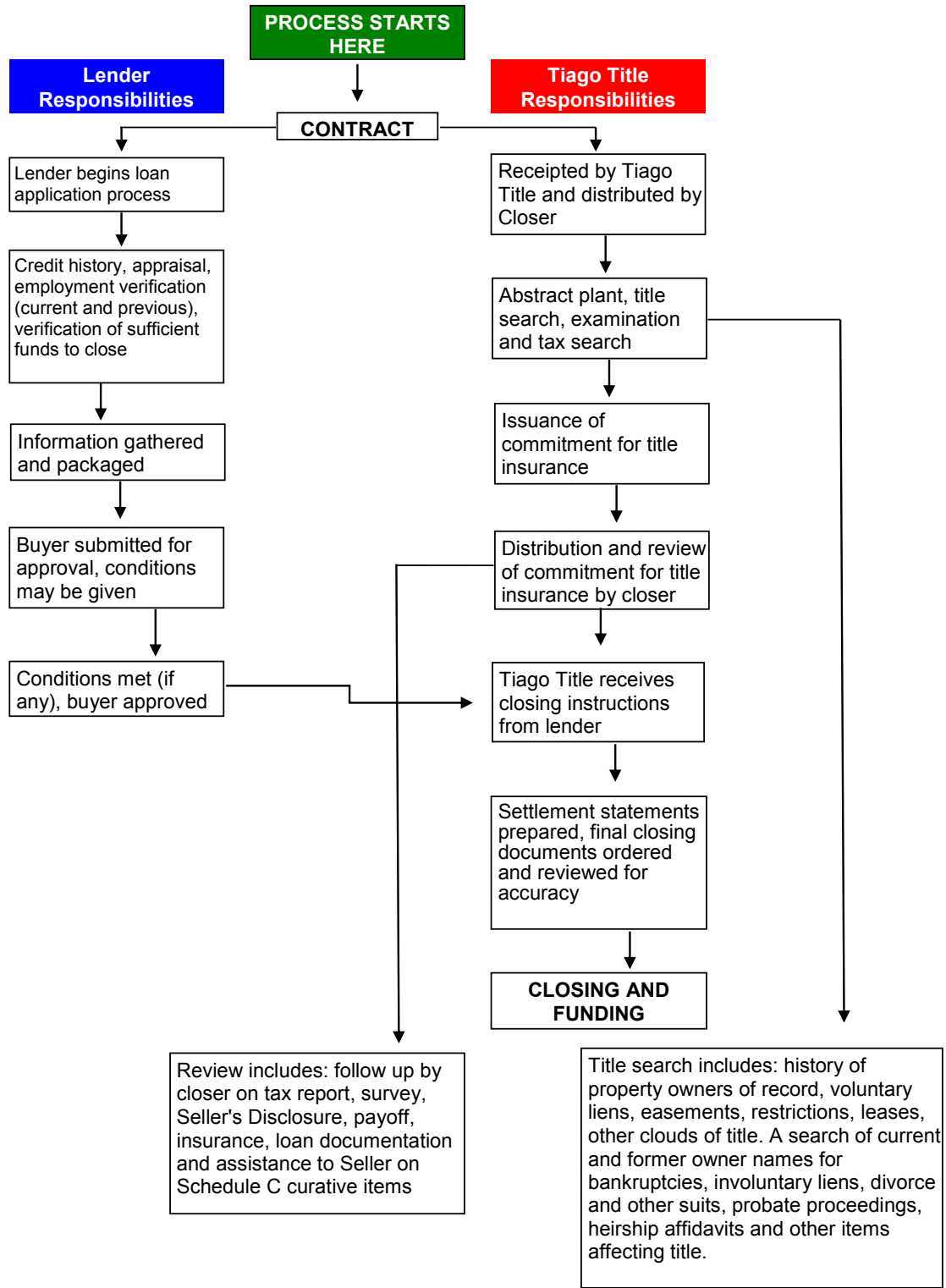
Plano/Frisco

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www.TiagoTX.com



The Closing Process Steps





Closing Cost Definitions

Amortization Schedule – a schedule showing the principal and interest payments throughout the life of the loan.

Appraised Value – the current value of a property based on factors such as area, location, improvements, and amenities.

Appraisal Fee – cost for preparation by appraiser of an appraisal report/examination.

Credit Report – a detailed report of an individual's credit history prepared by a credit bureau and generally used by a lender to determine a loan applicant's creditworthiness.

Document Preparation – a fee charged by an attorney for preparation of legal documents for a transaction.

Escrow Fee – a fee charged by the title company to service the transaction, to escrow moneys, and to cover the documents. The amount varies with each company, usually split between buyer and seller.

Escrow/Impound Account - funds held by the lender for payment of taxes, insurance or other periodic debts against real property. Usually does not include maintenance fees.

Homeowner's Insurance - a form of property insurance designed to protect an individual's home against damages to the house itself, or to possessions in the home. Homeowners insurance also provides liability coverage against accidents in the home or on the property.

Inspections - an examination of property for various reasons including, but not limited to, termite inspections, inspection to see if required repairs were made before funds are disbursed, etc.

Interest - rate charged for the use of loan funds. Most often paid in arrears.

Loan Application Fee - paid to the lender at time of application; check with lender for amount.

Maintenance Fee - As applied to condominiums and planned developments, the amount charged each unit owner to maintain the common area. Usually a monthly fee as part of the budget.

Mortgagee's Title Policy - insures the lender's lien; does not protect the buyer.

Origination Fee – an up front fee charged by a lender for processing a new loan application, used as compensation for putting the loan in place. Usually a percentage of the amount loaned, for example, one percent.

Owner's Title Policy – title insurance for the owner of property, rather than a lienholder.

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Prepayment Penalty - a clause in a mortgage contract that states if the mortgage is prepaid within a certain time period, a penalty will be assessed. The amount is usually based on percentage of the remaining mortgage balance.

Realtor Fees – an amount paid to the real estate agent/brokerage firm as compensation for his/her services.

Recording Fees – charged by the County Clerk to record documents in the public records.

Restrictions - certified copy of restrictions (in deeds of other recorded documents) required by lender.

Survey - the measurements of the boundaries of a parcel of land, its area, and sometimes its topography.

Tax Proration - to divide property taxes between buyer and seller proportionately to time of use, or the date of closing.

Tax Certificates – certificates issued by tax service showing the current year's taxes, the last year the taxes were paid, and any delinquencies to be collected at closing

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