



SHINE BRIGHT

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6 TIPS TO AVOID CLOSING DELAYS

According to the Realtor's Confidence Index, seventy-five percent of home sale transactions closed on time in June 2018. That means 25 percent of agents surveyed reported a delay in getting to the closing table.

What are the major causes of such delays, and how can you best avoid them?



Impractical Closing Date

Depending upon the buyer's purchasing options, the number of contingencies in the offer, and other variables, it typically takes 45 to 60 days for a closing to occur after the seller accepts the purchase offer. Setting an unreasonable completion date based on the factors involved can set up disappointment for all.



Appraisal Issues

Delayed closings are often dependent on unexpected appraisal problems. For example, the appraisal comes in lower than the purchase price, or damage is revealed that must be repaired or addressed before closing. The savvy agent has done due diligence on price and addressed any likely appraisal issues before sending a transaction into escrow.



Title-Related Issues

As your title partner, we are committed to researching and clearing title issues as quickly as possible. But some issues may take more time to be resolved, or even cause a transaction to fall through. Delays in closing can be mitigated when the agent ensures that clients are aware of any outstanding issues as early in the transaction as possible.



Additional Documents Are Needed

When buyers receive their mortgage commitment, it is easy to assume the funds are authorized and the closing will proceed as expected. But there are times when lenders request additional files at the last minute, which could result in delay. As the agent, be sure your transaction packet is complete – and work closely with your buyer to ensure the timely submission of requested documents.



Unresolved Property Damage

After completing the property evaluation, the buyer may demand certain repairs or may ask the seller for concessions instead of repair work. It's critical that the seller makes good on whatever has been agreed upon before the planned closing date.



Final Walk-Through Issues

Given that most final walk-throughs take place a day or two before closing, it stands to reason that unresolved or unforeseen issues may force a closing delay. As the seller's agent, check before the final walk-through to see that any requested repairs have been satisfactorily completed. As the buyer's agent, you and your client should check together for any faulty repairs, electrical or plumbing issues, or other problems that may need to be addressed, hopefully without delaying closing.