



Closing Guidelines for Buyer Side

Buyer: _____

Property Address: _____

Buyer's Agent: _____

All agents are required to complete the following checklist and have the accompanying paperwork on hand before a transaction file can be considered "complete."

The transaction coordinator (TC) will assist with producing all the forms and managing the transaction. The agent however, is ultimately responsible for the file and client satisfaction. He or she should know what the status of the real estate transaction and loan is. It is the agent's responsibility to keep his/her client informed as to the status of the transaction.

Check real estate file on a daily basis. Needed forms will be placed in the file by the TC, with notes indicating what is needed. When you have obtained the necessary signatures, place the completed forms back in the file.

The following are the general steps for Buyer purchase offers, along with general guidelines for the days each steps should take place.

DAY 1 - With purchase offers, the following should be signed and faxed to the Seller's agent:

1. Agency Disclosure (Buyer). Complete this form first!
 - a. Buyer's agent signs the Associate Licensee line
2. Purchase Agreement – Buyer should initial the bottom right corner of pages 1-7 of the purchase agreement. There are a total of 3 initials on page 5.
 - a. Page 8 is signed and dated by the buyers at the top of the page.
 - b. Agent should sign the "by" line under the Real Estate Broker (selling firm) on page 8
3. Buyer's Inspection Advisory - Buyer initials first page & signs and dates the second page
4. Buyer's Wood Destroying Inspection – Buyer signs and dates
5. Copy of deposit check
6. Pre-qualification or Pre-approval letter
7. If Short Sale offer, Short Sale Addendum should be included.

DAY 2

1. Upon acceptance, Seller's agent will fax back the signed documents. Check that all signatures, initials and dates are completed for:
 - Agency Disclosure - Buyer
 - Purchase Agreement
 - Buyers Inspection Advisory
 - Wood Destroying Pest Inspection Addendum
 - Counter Offers and Addendums
2. Confirmation of Acceptance
 - Obtain a Confirmation of Acceptance through Buyer or Agent initial, date and time stamp of page #8 of the Purchase Agreement. TC to fax page #8's Confirmation of Acceptance to the Seller's agent.
3. Make a copy for the file of:
 - "Active" MLS property printout
 - Earnest money deposit check
4. Opening of escrow
 - Seller's agent to open escrow and order title prelim
 - Buyer's agent to check that Seller's agent has changed MLS listing to pending
5. Delivery of escrow check
 - Deliver deposit check to escrow company
 - Place copy of the deposit receipt in the file
6. Arrange for home loan
 - Coordinate and follow up on the placing and processing of the home loan
 - Collect any requested initial information for loan officer, such as: 1003 loan application, disclosures, bank statements, W-2, pay-stub.

DAYS 3 – 7

Disclosures

1. Have Buyer sign, initial and date all Seller provided Disclosures:
 - Natural Hazard Report (provided by a natural hazard disclosure company) and signed receipt
 - Environmental Hazards / Earthquake Booklet (mandatory if built before January 1, 1960.)
 - San Diego Local Disclosures (LAD)
 - Real Estate Transfer Disclosure Statement (Form TDS)
 - The Buyer's agent, should check the 2nd box in the middle of the page, and write "Agent is not a property inspector. Agent strongly recommends 3rd party home inspection by a licensed inspector or contractor."
 - Statewide Buyer & Seller Advisory (Form SBSA)
 - Water Heater / Smoke Detector Disclosure (Form WHSD)
 - Seller Property Questionnaire (SPQ)
 - Lead Based Paint Disclosure (if built before 1978 - Form FLD)
 - Seller Affidavit (AS - One for each seller)
 - Mold Disclosure (MD)
 - Agent Visual Inspection Disclosure (AVID)
 - Addendum to the Purchase Agreement (when appropriate)
 - Purchase Agreement Addendum (when appropriate)
 - Short Sale Addendum or REO Addendum (when appropriate)
2. Disclosures / Forms that WRG TC will issue:
 - San Diego Country Local Area Disclosures (if seller does not provide)
 - WRG Disclosure Notice
 - WRG Attorney Accountant Counsel Recommendation Disclosure
 - Buyers affidavit (if sale price is under \$300,000)
 - Cooperating Broker's Compensation Agreement
 - Buyer's Election of Inspections
 - Get a Home Inspection
 - TC fee statement to include with other Buyer disclosures. Buyer's agent has option as to whether the client is charged.
3. Return of Disclosures
 - Return all the signed Disclosures to the file. TC will return all forms to Seller's agent.

Inspections / Reports

1. Home Inspection
 - Order professional home inspection. Coordinate with Seller's agent. Confirm how payment is to be handled.
 - When inspection report arrives via email, go over the report with the client and complete a Request for Repairs form (RR). Inform the Buyer as to how the request for repairs process works. Keep their expectations realistic. If there are many items to be requested, place them on a separate page.
 - TC to forward Request for Repairs to Seller's agent
 - Go over Seller's response to Request for Repairs with Client
2. Appraisal
 - Order appraisal and coordinate with Seller's agent. Confirm how payment is to be handled.
 - Notify Processor to send work order to appraiser
3. Termite
 - TC to obtain termite report and clearance

Escrow

1. Payment of Fees
 - Confirm that escrow has all fees (TC, appraisal, inspection, etc.) to be paid through escrow.
2. Escrow Instructions
 - Buyer's agent to notify buyers that they will be receiving documents from escrow. Some of these documents need to be signed and returned to escrow. Make sure they read them!
3. Cancellation
 - If there are unworkable problems with the appraisal, title, termite or home inspection, Buyer's agent to coordinate the amendment or cancellation of escrow.

DAYS 7 – 30

1. Loan Tracking

- Buyer's agent to track progress of loan with loan officer
- Buyer's agent to review preliminary title report
- Buyer's agent to check to ensure appraisal comes in at purchase price or above
- Buyer's agent to check with loan officer to verify loan is approved (within 1st 17 days)
- Buyer's agent to check with loan officer to verify loan docs have been ordered (10 days before closing)
- Buyer's agent to check with loan officer to verify loan docs are received and buyer has appointment to sign (3-6 days before closing)
- Buyer's agent to verify with escrow that docs are signed and sent back to lender
- Buyer's agent to verify with escrow that the loan has funded and transaction has recorded and closed

2. Additional steps for completion of escrow:

- Buyer's agent or TC to provide MLS office number when requested.
- TC to obtain Home Warranty Confirmation number from Seller's agent
- Buyer's agent to obtain home insurance quote and ensure Buyer confirms home insurance policy for property (Lender will request this. If condo, HOA will cover this).
- Buyer's agent to send insurance information to escrow
- Arrange a Buyer's walk-through (generally within 3-5 days of close of escrow). Check that all agreed upon repairs have been completed and property is in agreed upon condition. Bring copy of agreed request for repair to walk-through.
- Have Verification of Property Condition (VP-11) completed, signed, and returned to TC. If everything is approved, you may write "No items noted. Buyer approved."
- Complete any remaining items required by TC from Transaction Checklist
- Buyer's agent to instruct escrow as to delivery of commission checks
- TC to print out a copy of the Sold MLS property listing for the file
- TC to ensure HUD-1 closing statement has been received and placed in file

3. After Close of Escrow

- TC to make a copy of the "Sold" MLS property printout for file
- Ensure buyer receives copies of all documents
- Obtain all keys from Seller's Agent and deliver to the Buyer
- Deliver to Buyer all relevant home documents.
- Send thank you note to Buyer and ask for referrals
- Add Buyer to database