

A GUIDE TO CLOSING ON YOUR HOME SALE

Congratulations! You've found a buyer for your home, but the journey isn't over yet. Here's what you need to know to get to closing smoothly.

EARNEST MONEY

- The buyer puts down a deposit (1-2% of the offer) to show they're serious.
- This money is held by a neutral third party until closing.
- If the deal closes, it typically goes towards the down payment and other costs of buying the home.
- If the transaction doesn't close, the terms of the contract determine who received the earnest money.

SELLER'S DISCLOSURE

- This document details any known issues with your house and surrounding area.
- Disclosure requirements generally cover:
 - Basic house information (i.e. age, utilities)
 - Structural problems (i.e. roof condition)
 - Environmental concerns (i.e. flood plain)
 - Known issues (i.e. backyard flooding)
- Disclosing everything upfront is best to avoid future problems.

THE HOME INSPECTION

- The buyer hires an inspector to check for problems, such as:
 - Roof damage
 - Structural issues
 - Plumbing problems
 - Fire hazards
 - Appliance and HVAC issues
- The inspector's report will be used for negotiation.
- Be prepared to address legitimate repair requests.

THE HOME APPRAISAL

- If the buyer uses a mortgage, they'll need an appraisal.
- The appraiser determines the home's value for the lender.
- A value matching or exceeding the offer price is ideal.
- If the appraisal comes in lower, the buyer may need to:
 - Pay the difference in cash.
 - Negotiate a lower sale price with you.

CONSIDERING YOUR OPTIONS

- A lower appraisal may require negotiation.
- Weigh the ease of finding a new buyer against accepting a lower price.

Your REALTOR® will help make sure closing on your home sale goes smoothly!



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