

HOW DO I PREPARE FOR MY CLOSING

TO BUY A HOME:

Obtain your lender and fulfill their requirements for the loan. Stay in contact with your lender and your realtor as you go through the mortgage approval process. If there are changes to the sales contract be sure to provide them to the lender and to the closing attorney's office.

Select a hazard or homeowner's insurance company. Decide if you will pay the first year's premium prior to closing or if you would prefer that it be collected at the closing. Provide proof of coverage to the closing attorney's office prior to the closing date. Bring a driver's license or other form of government photo id to closing. Obtain a cashier's check, bank check or money order, made payable to yourself in the amount specified on the Good Faith Estimate, which you received from your lender. Georgia law does not permit the closing attorney to accept personal checks in amounts greater than \$5,000.

Lender's Title Insurance is required by all mortgage lenders. However, Owner's Title Insurance is a small one-time charge for peace of mind. This insurance will protect the owner against any defects in title, which may not have been detected by the title exam.

Many mortgage lenders no longer require surveys for real property purchases here in Georgia. Our attorneys strongly recommend that all purchasers purchase a survey for their new home. Please let the closing attorney know if you would like a survey to be ordered. The usual cost is \$450.00 to \$550.00

TO SELL A HOME:

Stay in contact with the realtor and the closing attorney while you are waiting to close. Be sure to provide copies of any changes to the sales contract to the closing attorney's office as soon as possible. If your contract requires you to pay for repairs to the home, keep copies of all receipts and provide them to the closing attorney's office.

Contact the closing attorney's office and provide them with the names, telephone numbers, account numbers of any and all lenders that have mortgages or loans on the property being sold. Please provide the social security numbers for all persons on title to the home and who are on the loans being paid off. Provide forwarding address information and telephone numbers for all sellers to the closing attorney's office, as well. If your home is located in a subdivision with a Homeowner's Association, the name and contact information for the association will be needed by the closing attorney's office. The amount of the yearly dues and the status of the dues will be confirmed with the association.

Your driver's license or other form of photo identification will be required for all sellers at the closing. If you will have to pay money at the closing then certified funds will be needed.

TO REFINANCE:

Obtain a lender and fulfill their requirements for the loan. Contact the closing attorney to provide pay-off lender information; account numbers, telephone numbers and social security numbers for all borrowers on any loans being paid off. Obtain a cashier's check, bank check or money order, made payable to yourself, in the amount specified on the Good Faith Estimate received from your lender to closing. Georgia law does not permit the closing attorney to accept personal checks in amounts greater than \$5,000. Bring your driver's license and other photo identification to the closing.

WHAT HAPPENS AT THE CLOSING?

The closing attorney, who acts on behalf of the mortgage lender, will orchestrate the signing of numerous documents. Typically, the purchaser(s) or borrower(s) will sign a Promissory Note (the "IOU" which specifies the amount borrowed, the interest rate and the time in which to repay the debt), Security Deed (the deed that allows the lender to foreclose on the property if the borrower fails to pay the debt, it is recorded at the courthouse), Truth in Lending, and other lender documents. The seller will sign a Warranty Deed transferring the title to the property to the purchaser. The HUD-1 Settlement Statement, which is also known as a closing statement, will show all the details of the transaction, including the amount that the purchaser/borrower needs to bring to the closing, as well as the amount the seller will receive.