



CAMPBELL & BRANNON

# **Contract to Close**

*Continuing Education Class*

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# Overview

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Today we will:

- 1) Take a behind the scenes look at the closing process;
- 2) Explore the role of each Campbell & Brannon team member;  
and
- 3) Give insight into our process, procedures, and everything we need for a seamless closing experience

# Contacting C&B Team Members

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First initial and Last name @cb.law

i.e. John Smith – jsmith@cb.law

Do not include .com after .law!

[www.cb.law](http://www.cb.law)

[www.campbellandbrannon.com](http://www.campbellandbrannon.com)

# Who Makes Up the C&B Team?

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- File Intake
- Title Examiner
- Title Curative
- Pre-Closer
- Closer
- Attorney
- Funder/Disburser
- Recorder/Post Closer
- And many many more!



# Before Writing Your Contract

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In some cases you should reach out to C&B prior to writing your contract:

1. Request a legal description – [attorneys@cb.law](mailto:attorneys@cb.law)
2. Confirm ownership! Who needs to sign your listing agreement and contract?
3. Special stipulations

# RED FLAGS!

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The faster we know about these red flags the smoother the transaction will be.



# File Intake

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Send us your contract immediately! We begin working on it right away even if due diligence hasn't ended. Some issues will take several weeks to clear so we need to get started ASAP. Do not wait until after due diligence to submit the contract!

[buckorders@cb.law](mailto:buckorders@cb.law) -- Buckhead  
[alphorders@cb.law](mailto:alphorders@cb.law) -- Alpharetta  
[cobborders@cb.law](mailto:cobborders@cb.law) -- Marietta West and East Cobb  
[intownorders@cb.law](mailto:intownorders@cb.law) -- Intown  
[glenorders@cb.law](mailto:glenorders@cb.law) -- Glenridge  
[woodorders@cb.law](mailto:woodorders@cb.law) -- Woodstock  
[sugarloaforders@cb.law](mailto:sugarloaforders@cb.law) -- Sugarloaf  
[braseltonorders@cb.law](mailto:braseltonorders@cb.law) -- Braselton  
[northgaorders@cb.law](mailto:northgaorders@cb.law) -- North GA  
[oconeeorders@cb.law](mailto:oconeeorders@cb.law) -- Oconee  
[orders@cb.law](mailto:orders@cb.law) -- not sure where to send it?

# What should I send with my contract?

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- Full contract and all exhibits, including the counteroffer
- Buyer and Sellers email address and phone number
- Lender contact
- Any extra documents specific to this transaction
  - Estate documents, divorce settlement agreements, corporate documents, trust agreements, death certificates
  - Is the buyer ordering a survey? If so, from whom?
  - Termite information
  - Copy of seller's survey



# Title Exam

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- The title examiner searches for all documents related to the property that were recorded in the county records for the last 50 years!
- The goal is to uncover all relevant matters in the chain of title so we can insure good and marketable title!



# Title Exam

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A title exam will show:

- Ownership
- Open loans
- Boundary agreements
- Driveway agreements
- Encroachment agreements
- Easements
- Missing interests
- The prior owner's open loans and liens
- Materialman liens
- If the property is part of a mandatory HOA
- IRS liens
- GA Department of Revenue liens
- Property tax liens
- Pending litigation
- And more!



# Property Tax Report

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- Confirms the tax parcel ID
- Confirms the size and dimensions of the parcel
- Shows the most recently paid tax bill
- Insures there are no outstanding tax bills
- Lists exemptions currently in place
- Alerts of any pending tax appeals



# Title Exam and Tax Reports

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- The time it takes to complete a title exam depends on a variety of factors
  - Where is the property located?
  - How big is it?
  - Is it a platted subdivision or acreage?
  - Does the the county have COVID restrictions in place limiting access to the deed records?
- If you know there are special circumstances or have a closing date that is in less than 15 business days, please alert us so we can order the title exam as a rush file.

# Pre-Closing – Introductory Email to Buyer

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Thank you for choosing Campbell & Brannon for your closing and congratulations on finding a new home. I am your primary contact and have already started working toward your closing.

This is an exciting process and we appreciate the opportunity to walk you through your closing steps. Below are some of the requirements and milestones you'll need to be aware of:

1. The title exam and tax certification have already been ordered for your property.
2. **Complete the Buyer Information Sheet: Please complete this questionnaire at your earliest convenience.**

# Pre-Closing – Buyer Questionnaire

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This information helps us draft their documents correctly and send wire instructions:

- Street address of property
- Anticipated closing date
- Do you plan on attending closing?
  - We encourage all buyers to attend closing personally
- Buyers' names and contact information
- Copy of their photo ID

# Pre-Closing – Buyer Questionnaire

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CAMPBELL & BRANNON  
REAL ESTATE CLOSINGS

## Buyer Pre-Closing Questionnaire

Welcome to our secure website where you can quickly and safely submit information necessary for us to complete your purchase of


The form below must be completed in one sitting and should not be left idle. If you click away from the questionnaire screen, you will need to reenter any previously entered information. Security precautions prevent a "save and complete later" option.

Please complete as soon as possible to avoid any closing delays.


Anticipated Closing Date \*

mm-dd-yyyy   
Date

Purchaser Information 

Additional Purchaser Information 

Title Information 

Property Information 

Attending Closing 



CAMPBELL & BRANNON

# Pre-closing Introductory Email to Seller

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We look forward to working with you on your upcoming sale. I am your primary contact and have already started working toward your closing.

This is an exciting process and we appreciate the opportunity to walk you through your closing steps. Below are some of the requirements and milestones you'll need to be aware of:

1. The title exam and tax certification has already been ordered for your property.
2. Seller Information Sheet: Please complete this questionnaire at your earliest convenience. This secure form



# Pre-Closing – Seller Questionnaire

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Our secure website allows you to quickly and safely submit information necessary for us to complete your sale.

You will need the following to complete it:

1. Copy of your mortgage statement and full loan number
2. HOA contact info
3. Water company information
4. Sellers' IDs

For security purposes this has to be submitted in one sitting – please complete it as soon as possible to avoid any closing delays!

# Pre-Closing – Seller Questionnaire

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## Water Service

Who do you pay your water bill through?

Paid through Homeowner's Association

City of Atlanta Dept. of Watershed Management \*\*Please note: City of Atlanta requires prepayment to process, this will be collected at closing\*\*

Cobb County

Fulton County

Gwinnett County

City of Roswell, Milton or Alpharetta  
Others



# Pre-Closing – Seller Questionnaire

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## SELLER PROCEEDS

- Check at closing: Please note that some banks may put a hold on the check
- Wire after closing
- Apply funds to purchase that is being handled by Campbell & Brannon.

If we do not receive the outgoing wire authorization form from the seller in person they must complete the CertifID wire verification (more on CertifID in a minute).

If you choose to have your proceeds wired, please do one of the following:

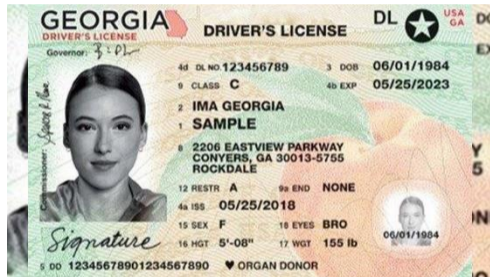
- Attach your wire instructions, bring your wire information, OR attach a voided check
- Send us your wiring instructions via secure email which we will confirm at closing.

For brokerage accounts (i.e. Charles Schwab, Merrill Lynch or Morgan Stanley), a voided check is not sufficient for wiring. Check with your banker/financial advisor for their official wiring instructions.

# Pre-Closing – Seller Questionnaire

## Asks for the following:

- Address of property being sold
- Sellers' names
- Copy of your photo ID
- Contact information
- Social Security Number – this field is encrypted and required for tax purposes
- Loan number
- HOA information



# Pre-Closing – Seller Questionnaire

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## CLOSING ATTENDANCE AND SIGNERS

Closings run more efficiently when all parties are present. Your presence will reduce closing and funding issues.

Will all sellers on title attend closing?

If any seller is not able to attend closing, their options include:



- Split closing: Seller signs in our offices at a different time prior to the buyer. There is a fee for this service.
- Email/Mail away: Seller signs documents sent via secure email. At minimum a printer, a witness and a notary public are required. There is a fee for this service.
- If the seller is abroad, please let us know ASAP as they may be required to set up a notary appointment with the US Embassy

# Pre-Closing – Seller Questionnaire

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## Power of Attorney (POA)

Do you need a POA prepared?

If you choose a Power of Attorney, you must send wiring instructions in advance so we may initiate the CertifID wire and identify verification process.

If possible, we recommend you use a POA specific to this real estate transaction and drafted by our office.

If providing your own POA, we must approve the document well in advance. Please note that many durable and general POAs are not consistent with Georgia real estate law.



# Pre-Closing – Seller Questionnaire

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## TAX APPEALS

If a tax appeal is filed, the tax commissioner issues a bill for unresolved tax appeals at 85% of the maximum amount due based on the assessor's value.

If your tax appeal is still active by closing time, we will need the final bill to disburse funds escrowed at closing for the tax appeal.

## Other Tax Matters

Are you filing a joint tax return?

If no, what percentage of the proceeds will each seller receive?

This is required for IRS purposes:

Seller 1: 40%

Seller 2: 60%

# Pre-Closing – Seller Questionnaire

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## Georgia Withholding

3% of the Net Taxable Gain

Exempt if:

- 1) Georgia Resident (you cannot lose residency until you establish residency somewhere else)
- 2) Selling Primary Residence (2 of the last 5 years)
- 3) May be deemed a resident if:
  - a) Filed GA tax returns for the past two years; AND
  - b) Is an established business in GA and will continue to be a business establish in GA or has real property in Georgia at the time of closing of equal or greater value than the tax liability; AND
  - c) Will report sale on their GA tax return; AND
  - d) If seller is a corporation or limited partnership, seller is registered to do business in Georgia



# Pre-Closing – Seller Questionnaire

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## Georgia Withholding

If you are not exempt the DOR withholds 3% of the net taxable Gain

Net taxable gain is determined by:

Sale Price

- Cost Basis

- Selling Expenses

Net Taxable Gain



# Pre-Closing – Seller Questionnaire

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## FIRPTA

Are you a non-resident alien?

If Yes, our office will contact you about the possibility of FIRPTA withholding.

If your seller is a non-resident alien let us know ASAP so we can refer them to individuals who specialize in FIRPTA withholding to determine their tax liability

Sales Price \$300,000 or less and <u>buyer acquires as principal residence</u>	No Withholding
Sales Price between \$300,001-\$1,000,000 and <u>buyer acquires as principal residence</u>	10% Withholding
All transactions—Any Sales Price and <u>buyer NOT acquiring as principal residence</u>	15% Withholding



# CertifID

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CertifID is an application that allows for real-time verification of devices (cell phones), individual identities, and bank account information. Think Big Brother and Big Data!

Wires are insured for up to \$1 Million when using wire instructions received through CertifID.



# Pre-Closing – Special Sellers

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## Trusts:

- Trust Agreement
- Certificate of Trust is acceptable.

## Estates:

- Last Will & Testament and Letters Testamentary OR equivalent probate.
- If Joint Tenants, we only need the Death Certificate.

## LLC:

- Operating Agreement
- If Sole Member we accept Sole Member Certification
- Corporate Resolution with Signing authority

## INC:

- Articles of Incorporation from Secretary of State website
- By-Laws

# Pre-Closing- Initial Contract Review

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Look for all terms relevant to the closing

Insure we received all exhibits

Termite? Home warranty? Survey? Other items a party is paying for at closing?

Stipulations that will impact closing or the settlement statement

# Pre-Closing – CAD

## COMMUNITY ASSOCIATION DISCLOSURE EXHIBIT " \_\_\_\_\_ "



2023 Printing

This Exhibit is part of the Agreement with an Offer Date of \_\_\_\_\_ for the purchase and sale of that certain Property known as: \_\_\_\_\_ Georgia (Property).

**Directions for Filling Out This Community Association Disclosure ("Disclosure").** Seller must fill out the Disclosure accurately and completely. If new information is learned by Seller which materially changes the answers herein, Seller must immediately update and provide Buyer with a revised copy of this Disclosure up until Closing (see Section B for Seller's payment obligations related to initial and updated Disclosures). Seller should ensure the disclosures being made are accurate by confirming the same with the Community Association ("Association") and/or Association Manager(s).

**Buyer's Use of Disclosure.** While this Disclosure is intended to give the Buyer basic information about the community in which Buyer is purchasing, Buyer should read the covenants and other legal documents for the community ("Covenants") to fully understand Buyer's rights and obligations therein. This Disclosure does not address all issues that may affect Buyer as the owner of a residence in the community. Assessments in community associations tend to increase over time. The Covenants can normally be amended to reflect the changing preferences in the community.

### A. KEY TERMS AND CONDITIONS

#### 1. TYPE OF ASSOCIATION IN WHICH BUYER WILL OR MAY BECOME A MEMBER (Select all that apply. The boxes not selected shall not be a part of this Exhibit)

- |   |   |
|---|---|
| <input type="checkbox"/> Mandatory Membership Condominium Association | <input type="checkbox"/> Mandatory Membership Age Restricted Community  |
| <input type="checkbox"/> Mandatory Membership Community Association   | <input type="checkbox"/> All units are occupied by person 62 or older.  |
| <input type="checkbox"/> Mandatory Membership Master Association      | <input type="checkbox"/> At least 50% of the occupied units are occupied by at least one person who is 55 years of age or older                                     |
| <input type="checkbox"/> Optional Voluntary Association               | <input type="checkbox"/> Voluntary Transitioning to Mandatory (Buyer shall be a<br><input type="checkbox"/> voluntary or <input type="checkbox"/> mandatory member) |

#### 2. CONTACT INFORMATION FOR ASSOCIATION(S)

- a. Name of Association: \_\_\_\_\_  
Contact Person / Title: \_\_\_\_\_  
Association Management Company: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Website: \_\_\_\_\_
- b. Name of Master Association: \_\_\_\_\_  
Contact Person / Title: \_\_\_\_\_  
Association Management Company: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Website: \_\_\_\_\_

#### 3. ASSESSMENTS

The total annual assessments paid to all the above selected Association(s) is \$ \_\_\_\_\_ per year and paid as follows (Select all that apply. The boxes not selected shall not be a part of this Agreement):  
 Monthly  Quarterly  Semi-Annually  Annually  Other: \_\_\_\_\_

#### 4. SPECIAL ASSESSMENTS

- a. Buyer's total portion of any and all special assessments Under Consideration is \$ \_\_\_\_\_  
Buyer's total portion of all approved special assessments is \$ \_\_\_\_\_
- c. Approved Special Assessments shall be paid as follows: (Select all that apply. The boxes not selected shall not be a part of this Agreement)  Monthly  Quarterly  Semi-Annually  Annually  Other: \_\_\_\_\_
- d. Notwithstanding the above, if the Buyer's portion of any and all special assessments that are passed or Under Consideration after the Closing Agreement Date is \$ \_\_\_\_\_ or more, Buyer shall have the right, but not the obligation to terminate the Agreement upon notice to Seller, provided that Buyer terminates the Agreement within five (5) days from being notified of the above, after which Buyer's right to terminate shall be deemed waived.

Information on the CAD allows us to order the closing letter



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# Pre-Closing - Commission

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## Instructions to Closing Attorney (F255)

Total commission?

Commission Split?

Contributing to closing costs?

Paying for an item on behalf of the client?



# Pre-Closing – The Lender

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Send title commitment to lender

Confirms property taxes, HOA fees, transfer/intangible tax, recording fees, etc.

Coordinate with lender's underwriter for any title related questions



# Title Insurance

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The one-time payment protects you and your heirs for as long as you own the property

Insures Good and Marketable Title – defends title and pays for claims from loss due to a covered risk

*PROTECTS YOUR LARGEST INVESTMENT!*

The Owner's Title Policy protects against defects that are missed or cannot be discovered in a routine title exam and title problems that are created after the title exam but before closing.

The seller only guarantees that they have not created a title issue. The purchaser has no recourse against the seller for problems created by prior owners. Title insurance provides this protection.

Owners vs. Lenders Title Policy

# Enhanced Owner's Title Insurance

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- ✓ Post-Policy Forgery
- ✓ Post-Policy Encroachments by Neighbors
- ✓ Post-Policy Adverse Possession
- ✓ Post-Policy Easement by Prescription
- ✓ Building Permit and Zoning Violations
- ✓ Vehicular and Pedestrian Access
- ✓ Restrictive Covenant Violations
- ✓ Policy amount increases 10% per year up to 150% of original policy amount
- ✓ Pays rent/expenses if you cannot live in your home due to a claim



# Surveys

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Georgia is a buyer beware state – buyer has a duty to inspect



Identifies boundary lines, set back lines, improvements, stream buffers, easements, encroachments, etc. It will also note if the property is in a flood zone .

# Don't Rely on Old Surveys

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A surveyor's liability runs ONLY to the name(s) on the survey. Only those named on the survey have recourse for a surveying mistake.

An old survey is for information only.

Stream buffers are newer and many older surveys do not show stream buffers. A stream (by the state's definition) is difficult to determine by a buyer's visual inspection of the property.

Newer surveys are conducted using more precise equipment.



# Surveys in Due Diligence

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If a survey comes back after the due diligence period, buyers can object to title matters but have no recourse for non-title matters such as:

- Stream Buffers
- Flood Zone
- Easements that limit the possibility of building
- Property is not as big as you thought

If the survey won't be back during due diligence you can include a special stipulation for survey matters.

*Should Buyer obtain a recent survey of the property, Buyer shall have the right to terminate the Purchase and Sale Agreement without penalty and with full refund of all Earnest Money if in Buyer's sole discretion any matters revealed by said survey are objectionable to Buyer. Buyer shall notify Seller of such termination for matters revealed by said survey no later than \_\_\_ days from Binding Agreement Date.*

# Closer

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Works with Lender to balance the CD and receives the final loan documents.

Balances the closing file and sends the settlement statement in advance to review.

Confirms receipt of all items referenced in the contract: termite, home warranty, HOA letter, insurance, water bills, etc.

Prepares, with the attorney, deeds, affidavits and other documents signed at closing.

Confirms receipt of wires

# Closer – taxes and escrow

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## Estimated Taxes:

If property has more than homestead exemption or is new construction, we will ask lender if they need estimated taxes depending on the time of year.

We include estimated taxes for the following year on the title commitment.

We review the exemptions on the tax report for any significant exemptions.

New constructions amounts should be based on the % of completion as of January 1<sup>st</sup>

## Tax Assessments:

If the assessment is released, we use the assessment amount for tax prorations prior to the bill being released rather than the prior year.

# Closer – Parties not Attending Closing

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## Seller Mail Away:

Seller will need to be available on the closing date in case the buyer's loan package includes documents to be signed by the seller.

Confirm with the seller that they can print the documents. Seller mail away documents are on letter size paper.

We send a prepaid FedEx label and require a copy of the signed documents to review before they drop them off.

## CASH Buyer Mail Away

Documents can be signed electronically

We do not require originals





# Closer – Parties not Attending Closing

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## Loan Buyer Mail Away

*We strongly discourage a mailaway with a loan package.* A POA is typically a much better option.

The lender must send us the loan package at least 3 days prior to closing in order to receive the originals back before closing.

We will set the buyers up with a mobile notary. The fee for a mobile notary varies and will be collected from the buyer on the settlement statement.

A copy of the signed documents must be returned to the closer to review prior to returning the original package.



# Wiring Funds

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Wire funds at least one day prior to closing!

A buyer should contact their bank to confirm wiring procedures - many banks require you appear in person to initiate a wire.

If funds are coming from an investment account the wire may need to be initiated further in advance.

A buyer should only rely on wire instructions provided through CertifiD and confirmed over the phone via an independently verified number.






# Wiring Funds






## Key Differences Between ACH & WIRE TRANSFERS

### AUTOMATED CLEARING HOUSE

 <b>Transfer Speed</b>	Typically takes two to three business days to complete.
 <b>Certainty and Safety</b>	ACH transfers are also quite safe, but ACH transfers into your account can be reversed.
 <b>Cost</b>	ACH transfers are almost always free for consumers—especially if you're receiving funds in your account.

### WIRE TRANSFERS

 <b>Transfer Speed</b>	Wire transfers move funds from one bank to another within one business day.
 <b>Certainty and Safety</b>	Wire transfers are a relatively safe way to get paid, and unlike cashier's checks, they aren't often faked.
 <b>Cost</b>	Banks and credit unions typically charge between \$10 to \$35 to send a wire within the United States, and international transfers cost more.

**NO closing attorney can accept an ACH transfer for closing funds.  
Our account automatically rejects ACH wires.**

# Closing Day - Buyers

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## Checklist:

- ✓ Unexpired government issued photo ID
- ✓ Second form of ID (not a credit card)
- ✓ Confirmation that funds were received by Campbell and Brannon
- ✓ A check or checkbook
- ✓ Original Power of Attorney, if applicable

# Closing Day - Sellers

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## Checklist:

- ✓ Unexpired government issued photo ID
- ✓ Keys, garage door openers, amenity cards, garage codes
- ✓ Original Power of Attorney, if applicable
- ✓ Wire Instructions

# Closing Day - Agents

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## Checklist:

- ✓ Ensure your clients are aware of office location and closing time
- ✓ Communicate any special needs to Campbell and Brannon (disability, babies, pets, etc.)
- ✓ Earnest Money, if needed

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Questions?



# Contact

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[Attorneys@cb.law](mailto:Attorneys@cb.law)