



Closing on Your New Home

Well we finally made it! You're sitting at the closing table purchasing your new home. The next hour of your day will impact the rest of your life forever. Owning your own home opens up opportunities for increased net worth, a very comfortable and personalized place for you to call home and shelter, and one of the largest tax deductions you'll be able to take.

Most everything is completed at this point except the paperwork which signs off the deed of the property over to you from the previous owner. At the beginning of the closing, you will both sign paperwork stating that this deal was of your own free will and accord and that property doesn't have any encumbrances on it that would impede the transfer of clear title.

The settlement sheet or HUD statement as it's commonly called will be gone over thoroughly for both the buyer and the seller. This is the form that shows where every dime of the sales price is allocated. Essentially, there are two columns to this form. There is a column that shows buyer figures and a column for seller's figures. Everything from the deposit on the property to recording fees, mortgage discharge fees, attorney attorney's fees, overnight FedEx fees, etc. are shown on this form.

Once the figures have been determined to be correct all parties will sign the HUD statement for official approval. After the seller has signed his/her necessary paperwork, you the buyer, enter the Olympic event of Endurance Signature Writing. Your mortgage documents are explained to you, as well as items such as title insurance, mode of occupancy, and how, when and where to make your first mortgage payment.

Essentially, you are now entering into a 30 year contract with the bank to occupy the home, take care of it, and make timely payments to live there. You will get a copy of every form that you signed during the closing. During the mortgage process the bank will assign a closing attorney who will handle this transaction. At any time during the transaction, if you have any question regarding the legalities about the closing, you will have an opportunity to ask the closing attorney.

Probably the most common myth associated with closings is that the closing attorney works for the buyer exclusively. The closing attorney, in fact, works for the bank. Their job is to disperse funds, collect funds, and facilitate all of the necessary paperwork to finalize this transaction.

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