

10 STEPS TO A SMOOTH CLOSING

- 1) **TELL ME EVERYTHING.** I want to get your loan closed and the best way is to avoid surprises. If you own another property, pay alimony, have an open building permit, owe child support, live in a flood zone, have a tax lien, expect a gift, are delinquent on your taxes or have an outstanding parking ticket we are probably going to find out about it. It is MUCH better to tell me upfront so we can address it.
- 2) **CREDIT** - Don't do anything that might impact your credit. Your credit will be monitored even after you are approved, until the day of closing. Do not open up new credit cards, buy a car, cosign on a loan for your kids, buy a boat, close accounts or pay anything late. If you are not sure CALL ME FIRST.
- 3) **SENDING DOCUMENTS.** When sending documentation by email make sure your name is in the subject line and each item is clearly identified. Please be sure to send complete documents, not just the pages you think are important.
- 4) **DEPOSITS.** The Patriot Act and other banking regulations require that we "source" all large deposits. (Typically defined as more than 25% of your monthly income). If there is a Non Payroll deposit on your statements, we will need to see the paperwork showing the source of the money.
- 5) **BANK STATEMENTS** - Include ALL pages of statements. Underwriters can't accept partial statements, screen shots or redacted statements. If a statement says 1 of 45 pages, we need all 45 pages, (even the one that says "intentionally left blank").
- 6) **MONEY TRANSFERS** - Try to avoid transferring money between accounts during the approval period. If you transfer funds between accounts we will need to see both accounts (ALL PAGES for 2 MONTHS).
- 7) **EMPLOYMENT.** If you are contemplating a job change or anticipate going on maternity leave, make sure to discuss this with me first.

- 8) **GIFTS** – Receiving a gift may seem like a wonderful thing but many loan programs have restrictions on using gift funds to qualify. We will need to clearly document the transfer out of the account from the person giving you the gift. We will need to see the statement that the gift came from or a wire confirm from the gift giver. We will also need a gift letter signed by the relative who gave you the gift. Consult your accountant for any potential tax implications. Documentation takes time. Plan to obtain the gift AT LEAST 30 days prior to closing.
- 9) **INSURANCE** – You will need to purchase home owners insurance in order to get final approval of your loan to close. Although the policy won't go into effect until the day of closing, you need to purchase the policy at least 2 weeks prior to closing so we can confirm that you have sufficient coverage and other details.
- 10) **LIQUIDTY** - Make sure the funds you need for closing are liquidated well before your closing. Money market accounts are not liquid. It can take several days to liquidate and transfer funds.
- 11) Free bonus. **TIMING** One thing that can't be controlled is the exact timing of a closing. Simply put - Things Happen. Electrical outages, burst pipes, natural disasters (Sandy, Katrina , 9/11 , Ash Cloud over Europe) health issues (not just yours (seller, & attorney's), work conflicts, child birth can all delay a closing. Don't make plans to have your painter and work crew at the house the day after closing. Leave some cushion for the unpredictable. This will remove a lot of anxiety.

I have read the above and promise I will call Peter before doing any of these things. I understand that if I do not it may impact my ability to close.

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