

## What Happens At Closing?

In Georgia, Real Estate Attorneys handle the closing process. They examine the sale documents, make sure that any discrepancies are worked out, verify that any earnest money is accounted for properly, have title work done, prepare the new deed, and account for and distribute all funds according to the agreements of the contract documents, among other things. When all the documents are properly signed, and funds transferred, then the new owner receives the keys, and the new deed and any other documents are recorded at the County Court House where the property is located.

In the simplest terms, the attorney prepares the new deed, receives and distributes the buyer's money, then makes the exchange: the buyer gets the deed, the seller gets the money.

A good guide to understanding your duties throughout the escrow process is your purchase agreement (contract). The contract identifies the duties of buyer and seller. Your tasks may include:

As the buyer:

- Ordering, reviewing and approving (or negotiating findings of) property inspection reports stipulated in the contract (roof, structural, pest control, etc.).
- Inspecting any completed work designated in such reports.
- Applying for financing, including receiving and understanding a Good Faith Estimate.
- Identifying an insurance company

As the seller:

- Making and paying for any repairs agreed to
- Moving out before closing. I advise that a seller NEVER allow a buyer to move in before closing, or a seller stay after closing. There are just too many things that can go terribly wrong!
- Having the property cleaned to a reasonable level
- Providing the new owners all keys, garage door openers, security codes, gate openers, etc.

### Before Closing & Document Signing

The closing attorney will:

- Request funds from the new lender (if required).
- Verify that checks, drafts, etc. have cleared.
- Order recording (includes title search and document recording).

### Document Signing

Document signing occurs at the closing attorney's office. Your real estate agent may accompany you. Not very common, but you may have your own attorney present, as the closing attorney will represent any mortgage lender involved. Some attorneys will have the buyers and sellers at the table at the same time, others hold sessions separately. The attorney will answer any questions about their documents and will guide you through the signing process. You'll be reminded ahead of time to bring to the appointment an official photo ID, and for the buyer whatever method of payment the attorney requires for any balance due for loan down payment & fees, etc.

The principle documents you will read and sign may include:

- Escrow instructions (based upon and adding to the purchase contract) which can
- The purchase price and terms
- Agreement regarding mortgages

- Title vesting
- Matters of record affecting title
- Inspection reports to be delivered into escrow
- Pro-ration adjustments
- Date of possession
- Disbursements to be made
- Identification of all charges and who pays for them
- Closing date
- Loan documents (promissory note, loan agreement, deed of trust, Truth In Lending)
- Homeowners insurance, fire insurance and other requested coverage
- Structural Pest Control (and other reports) for acceptance
- Other documents as required
- The HUD-1 Settlement Statement is an accounting of the closing. all money flowing into and out of settlement appears on the form. You will sign this document, and get a copy of it to take with you.
- Prepare settlement statements
- Deliver copies of the documents to parties of the transaction

The new deed will be sent to the new owner after recording at the County Court House where the property is located

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