

# Closing Process Explained

## What Buyers and Sellers Should Expect at the Finish Line

**C**losing is the final step in a real estate transaction, the moment when ownership officially transfers from seller to buyer.

While exciting, it also involves a series of critical steps, documents and deadlines that both parties should understand.

### BEFORE THE CLOSING TABLE

Once an offer is accepted, the property enters escrow. During this period, several key tasks are completed, including the home inspection, appraisal and title search. If the buyer is financing the purchase, their lender will work behind the scenes to finalize the mortgage. At the same time, the buyer may be required to purchase homeowners insurance and submit final financial documentation.

Buyers and sellers will also receive a closing date, usually scheduled a few weeks out, to allow time for all these tasks to be completed. A day or two before closing, the buyer typically conducts a final walk-through to ensure the property is in the agreed condition.

Both parties will receive closing disclosures—detailed summaries of all the costs and

credits involved in the sale. These documents should be reviewed carefully and any questions addressed before the meeting.

### WHAT TO EXPECT ON CLOSING DAY

Closing typically takes place at a title company, escrow office or attorney's office, depending on state require-

ments. The buyer, seller, their agents and sometimes attorneys may be present. In some cases, closings can also happen virtually or by signing remotely.

Buyers will sign a stack of documents, including the mortgage note, loan agreement and property deed. Sellers will sign paperwork to transfer ownership and con-

firm payoff of any existing mortgage.

After all documents are signed and verified, funds are transferred. The buyer pays the down payment and closing costs, while the lender wires the loan amount. The title company disburses payments to the seller, real estate agents and other service providers.

Once everything is com-

plete, the deed is recorded with the county, and the buyer officially becomes the new homeowner.

While the process may seem overwhelming, your real estate agent and lender will guide you through each step. Understanding what to expect at closing can ease anxiety and ensure a smooth finish to the transaction.



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### REAL ESTATE 101



### HOMEWISE GLOSSARY

#### Review Your Closing Disclosure Carefully

Before closing, you’ll receive a Closing Disclosure outlining your final loan terms and expenses. Review it closely and ask your lender or agent about any discrepancies to avoid last-minute surprises.

**Closing Costs:** Closing costs are the fees and expenses due at the end of a real estate transaction. These can include loan origination fees, title insurance, appraisal charges and escrow fees. Buyers and sellers may each be responsible for different portions.

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