

COASTAL Homebuyer Programs, LLC

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HELPFUL HINTS FOR A SUCCESSFUL CLOSING

1. Make sure your lender has reviewed and approved the deed rider that governs resale of your unit. Also make sure that you have reviewed and understand these terms.
2. The Purchase & Sale agreement (P&S) is a binding contract between you and the developer. Read it carefully and make careful notes of the various deadlines listed therein. *If any of the deadlines passes and you have not completed the required step, you may jeopardize your closing and you may lose your deposit on the unit.* Review the P&S with a real estate attorney prior to signing and ask him/her to make sure that your interests are met. Often the lender's attorney will agree to review the P&S for first-time homebuyers at a low additional cost. The P&S will call for your payment of a deposit to be held in escrow, and these funds will be applied to the purchase price.
3. The P&S will give you a certain period of time to obtain a homeowner's inspection of the property, if you choose to do so. A good place to find a licensed home inspector is www.ashi.com. Home inspection agencies are booked in advance so you must schedule an inspection as soon as possible to meet any deadlines specified in your P&S agreement.
4. After you have a signed P&S, you will need to complete your mortgage application with your lender. Review with your lender the good faith estimate of closing costs carefully to ensure that you will have the required funds available. With your lender, assess your need and eligibility to apply for any additional funding assistance and make sure that these funds are obtained by the required deadline.
5. You must obtain liability and property insurance for your home before the purchase can take place. Typically, you must pay one year's insurance in advance. You will need to bring an insurance binder naming the lender to the closing. You can find insurance agents in the yellow pages. It is a good idea to call several insurance agents or companies and obtain estimates over the phone.
6. One week prior to your planned closing date, arrange to tour the property with the developer and agree on completion of any outstanding construction or renovation items as required. View the property again one day prior to closing to ensure that any items agreed to be completed prior to closing are completed.
7. About one day prior to closing, you will receive the HUD1 Settlement Statement from the lender. Review it carefully and make sure you understand the flow of funds so that you can bring the required funds to the closing.

GOOD LUCK!