

Getting Your Deal Closed With a Minimum of Hassle

The easiest way is to use an escrow company and a title company that knows you and can be creative when necessary.

It also helps to develop a good relationship with a mortgage broker who thinks the way you do.. The last thing you want in either of these people is rigidity. If you can get the buyers to use your mortgage broker, life is much simpler. Today there are many brokers who are not familiar with the new realities. The worst thing you can do is be out of the loop. If you don't do this up-front, you will find yourself the night before closing with a buyer who doesn't have all the money needed to close, and guess who gives in? If the buyer comes with his/her own broker, make sure you have an addendum to your contract that allows you to speak to the lender and verify financial info. If not, I guarantee you will regret it.

You need to be the one who decides who you want to take your house off the market for. Otherwise you are in the dark. Does this person have a realistic chance of qualifying in this tough market? If you don't do this, then 45 days can go by and the realtor calls and asks for a week extension. Of course you give in and then they ask for another week and then another. Finally the deal falls and you find out that the buyer was a deadbeat and had zero chance of qualifying. The dopey broker was shuttling them from one bank to another hoping for a miracle. Now you have to start over. This is not fun.

Even before you put the house up for sale, get all the information from the broker about what the down payment and closing costs will be, how much they need to earn and what the monthly payment will be

The first thing to do when you have a contract is make sure your buyer gets in touch with your mortgage broker. If necessary, take him/her there.

These days it is hard to find qualified buyers. The shoe is on the other foot. You have to be involved in the process and act as a go-between for the lender and the new buyer. Call the lender and find out what is happening. Ask where you are in the process. Then you have to call the borrower and ask them. "Where is xxxxxx", and when can I come over to your house and pick it up". No one cares as much as you do. Be the one who tortures the broker and the escrow so much that they put your file on top JUST TO GET RID OF YOU.

The next thing to do is order the title report and read it.

You will be amazed at the exemptions that will be removed if you insist. Ask the escrow company to fax you a closing statement a few days before closing to check for mistakes. What you don't want is to be sitting at closing with a problem that needs time to fix. Guess who gives in?

The closing should be nothing more than paper pushing.

Make sure that the appraisal is ordered right away. Don't let the lender wait until the end. If there is a problem, you want time to fix it. Also, if the buyer doesn't qualify you can use the appraisal for the next buyer.

Call again after 15 days to see how things are going.

Clear up any missing documents. If you have a fax machine you can get it done faster. Don't rely on anyone but you. Check and recheck. Make sure the buyer has the required money necessary for closing.

If you have done your homework, everything will go smoothly. Don't forget to bring the keys to the closing. Be sure to pick up your lockbox and your sign.

Congratulations. Be sure to take part of the proceeds to treat yourself to a reward. You deserve it. I always take 10% of the profits just for me. (I have a lovely collection of jewelry).

How to deal with a mortgage broker

As in many of life's trials, it's important to know what the right questions to ask are. When you are looking to buy or refinance, there are some things you should know when deciding which broker to go with. It's not just about who quotes you the best numbers up-front. Honesty and reliability are also important. Have you ever heard of the bait and switch? This happens all the time.

The first step in the process is to order your own credit reports. You don't want a lot of people pulling your credit because it lowers your FICO score. So when you approach several lenders, you have your filled-out loan form, commonly known as a 1003, and your credit report. You say to them, "Based on the information I gave you, what rate do you think I can get?" (By the way, white out your social security number before you fax your credit report to them).

NO ONE PULLS YOUR CREDIT UNTIL YOU HAVE MADE A DECISION AS TO WHOM YOU ARE GOING WITH (this is also true when you are car shopping).

Once you have agreed on who is going to do the loan, get a good faith estimate from the lender. It's the law. Inform the lender that you are going to go through every line of the closing statement before you sign the loan docs and the amounts better be the same as the good faith estimate. It's amazing how these numbers change. The whole idea is to find out what's going down before the last minute and your tongue is hanging out. If the mortgage broker comes up with this great new program, ask him/her if they have ever put someone through that program. They also get lied to.

You should have all the docs needed right away and make sure they are delivered promptly. Don't give anyone an excuse to put your file on the bottom of the pile.

You also have to order the title report right away and stay on them until it's delivered to escrow. They are very busy now so the one that makes the most noise gets put on the top of the pile. It's up to you to see that things are moving along. You can't depend on people to call you when things get bogged down. No one wants this more than you do. You also should get your own appraiser and stay on top of them, too. If you are not sure of the appraisal or the appraiser, do your own comps, take pictures and show up the day of the appraisal with your info. If you can save them work, it will work in your favor. Of course, you are showing them the highest comps. It wouldn't hurt to have hot coffee and a doughnut with you as well.

Don't put yourself in a position where you are not in control. Make sure you have enough time to have things go the way you want to.