
CHECKLIST FOR RESIDENTIAL CLOSING**SELLER**

Set forth below are some of the issues and tasks that may come up when selling your home. Obviously, every sale is different--rural property has different issues from a downtown property; there may be an oil tank or lead paint that is subject to federal laws; or perhaps you find out the other party is very demanding.

Likewise, the various professionals involved all have their own areas of expertise. You go to a lender for help with financing the purchase. You have an inspector assist you in determining the physical condition of the house. A real estate agent is employed to help you find a buyer or seller. An attorney's duty is to advise you of your legal rights and responsibilities, to help you spot issues before they become serious problems, and generally be your advocate from preparation of that important purchase contract through the closing where the funds are exchanged for the deed. Keep these various roles in mind; when one professional tries to do what another is trained for, that is when we commonly see misunderstandings and problems arise.

The issues and questions below are not meant to be comprehensive, and are not to be used in lieu of experienced legal advice. They are meant to give you a sample of what can come up. Your attorney should review these with you when you start the process, and help you to get the answers you need before the closing to ensure a happy homeowner or seller.

Checklist for Preliminary Matters

- An attorney can provide the seller with an overview of the entire process, including the attorney's role in:
 - ◆ Reviewing or negotiating the listing contract with the broker
 - ◆ Preparing or reviewing the real estate condition report
 - ◆ Evaluating the buyer's offer to purchase, or drafting one for delivery to the buyer
 - ◆ Reviewing the buyer's financing contingency and deciding whether to provide any form of seller financing
 - ◆ Preclosing matters
 - ◆ Closing

- Discuss with your attorney the expenses associated with a home purchase, including attorney fees and possible complications. Your attorney can also explain

the broker's role and the difference between selling a home through a broker or selling it by owner (FSBO), including the terms and legal effect of a listing contract.

- Determine whether (and when) the property should be appraised or surveyed.
- Determine the income tax consequences of selling a residence, including rolling over gain into the purchase of a new residence to avoid recognition of gain.
- Will you need to obtain copies of the deed, title insurance policy, abstract, or survey to determine easements and restrictions?
- Will items of personal property will be sold with the premises and used in the purchase price negotiation?
- Will there be pre- or post-closing occupancy issues? If the property is leased, additional obligations to the tenant will need to be addressed.
- Obtain information regarding the current mortgage and check the prepayment provisions.
- If there are any material, latent defects affecting the property, consult an attorney. A real estate condition report and a lead-based paint disclosure form may also be required by law. (*Samples of a Real Estate Condition Report and a Lead-Based Paint Disclosure Form are enclosed for informational purposes.*)
- What is the effect of the buyer obtaining an independent inspection of the property?

Checklist For Preclosing Matters

- Will a title insurance commitment or abstract need to be ordered and copies sent to the buyer's attorney and lender?
- If any work has been performed on or materials furnished to the premises in the last six months, obtain lien waivers for the owner's affidavit.
- Contact the municipality regarding the prior year's taxes, outstanding special assessments, completed or pending reassessments, and planned public improvements.
- Obtain a copy of the prior year's paid tax bill.
- Will you need your mortgagee to send a payoff statement? Copies sent to the buyer's lender?

- Comply with any local regulations (e.g., inspections and certificates required for occupancy).
- Is a survey required?
- Review the title insurance commitment or abstract (good title in seller in conformity with warranties in offer to purchase).
- Ensure that any encumbrances not excepted in the offer to purchase are removed before or at closing. Prepare the request for copy of mortgage satisfaction or lien waiver, if appropriate.
- If any marital property agreements, pending divorce orders, or judgments affect the property, notify your attorney so the appropriate conveyancing documents can be prepared before closing.
- Will prorations need to be calculated? If so, arrangements will need to be made so all information is available to complete the settlement statement before closing.
- Other matters requiring action: utility prorations/service; homeowner's insurance; personal property title transfers.
- Approximately one week before closing, your attorney should give you instructions about closing. You and your spouse should attend the closing if both have title to the property or if the property is homestead property and a deed not executed before closing.
- How will the buyers will take title to the property? Have your attorney prepare the appropriate deed, real estate transfer return, and any other documents for the closing.
- Will a bill of sale for personal property be needed? Ask your attorney.
- Will an escrow agreement be needed?
- Has the closing statement been calculated correctly? Have your attorney review it before the closing to allow time for questions and corrections.
- Will an occupancy agreement or lease need to be prepared if the buyer will occupy property before closing? Although brokers frequently offer to prepare a "standard" form, legal advice is needed to protect you against the many issues that can arise while a stranger lives in what is still your house.
- Other: _____

Checklist For Closing

- Obtain, review, or verify: past year's taxes, special assessments, and pending assessments, etc.; an owner's affidavit of construction liens and possession and lien waivers; the closing statement ; the mortgage satisfaction or lien waiver.
- Obtain, review, or verify: the deed; the real estate transfer return; the bill of sale.
- Verify disbursements with your attorney; also check that statements record payees and amounts properly.
- Deliver the keys for the property to the buyer.

Checklist For Postclosing Matters

- Assure that the satisfaction is recorded for an outstanding mortgage and obtain a copy of satisfaction from the mortgagee.
- Review and verify the completeness of the document clip.
- Other: _____

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