

5 Serious And Common Seller Mistakes That Kill The Closing



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Going from contract to closing can be an intricate process, and sometimes Sellers unintentionally create a problem that causes the sale to fall through completely.

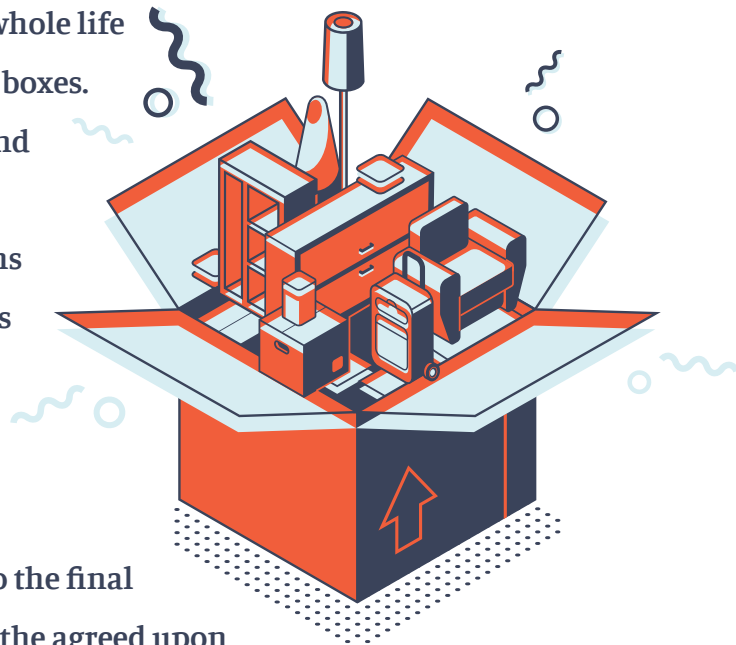
In other words, you could sabotage your own sale – without even realizing it.

Here are the most common deal-killing mistakes (and how to avoid making them):

1. Not Moving Out Before The Closing.

I don't know anyone who is excited to turn their whole life upside down by putting everything they own into boxes.

It's hard to make a cup of coffee when you can't find the coffee pot or cups. I also understand that moving and storing all of your worldly possessions is not cheap, quick, or easy. That being said, unless you have a written agreement with the Buyer, you need to be completely moved out of the house before the closing.



A day or two before the closing, the Buyer needs do the final walkthrough to make sure everything is in order, the agreed upon repairs have been made, the toilets still flush, etc. If the Buyer cannot do their walkthrough and/or does not have an empty house for the closing, they can either postpone the closing or sue you for breach of contract. The Buyer can also request to hold back some of your hard-earned money until they are “satisfied” with the condition of the property. It can take weeks, months and sometimes even a lawsuit to get your money back from an uncooperative Buyer. Actual lawsuits for not moving out are very rare, but postponed closings or holding back money is not.

So, in a nutshell, make sure all of your possessions are out of the house before the closing.

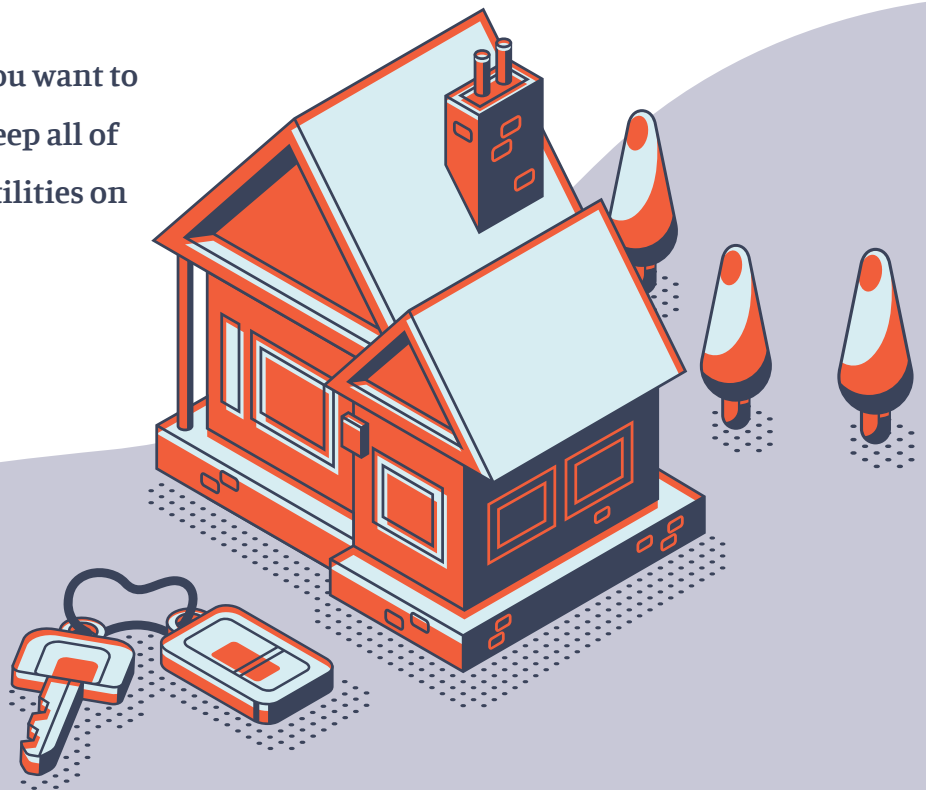
***This includes the garage, shed, basement and attic.

2. Not Leaving The Utilities On For The New Owner.

The Buyer is not responsible for transferring the utilities (gas, electric, water, sewer, etc.) into their name until after the closing. Moving is already expensive - nobody wants to “donate” to the utility companies any longer than they need to. One of the things you need to do to get ready for your closing is request a final sewer and/or water bill. Sometimes utility companies get confused between a final bill and shutting the utilities off. When you call for your final bill, It is important to be very clear with the utility company to not shut off the utilities.

Not having water, gas or electricity at your home, even for a day, can cause a lot of damage like flooding issues from sump pumps or frozen pipes from gas furnaces not running in the winter. If any of the utilities are off when the Buyer goes to do their walkthrough, the Buyer cannot make sure that the major appliances, like the furnace and water heater, are working correctly. A nervous Buyer can either cancel the closing and wait for the seller to turn the utilities back on or ask the Seller to hold back more of their hard earned money from the closing.

The moral of the story is, if you want to have a smooth closing and keep all of your proceeds, keep all the utilities on until after the closing.



3. Taking The Freezer In The Garage.

On the first page of the contract is a list of all the personal property (a.k.a. "stuff") that you agree to leave for the Buyer. There are additional lines to clarify things that are not included. Miscommunications between Buyers and Sellers about what things are supposed to stay with the property is the basis of many closing table screaming matches. The general rule is that if you need to turn a screw to remove something, it should stay with the property. You can always make a written agreement with the Buyer to do otherwise, but things like attached shelves in the garage, TV wall mounts, Ring Doorbells, and curtain rods need to stay with the property.

If you show the house with a fancy wine fridge or freezer in the basement, be sure to let the Buyer know if you are taking or leaving them. If you accidentally take something that needed to stay, the Buyer can refuse to close unless you return it or give them a credit to replace it.

4. Big Souvenirs Left Behind.

If not leaving the right things behind can create a problem, you probably guessed that leaving additional "treasures" in the house can also be a problem. You may think that leaving the family pool table for the Buyer is going to be perceived as a "valuable gift." (But in reality, and be honest, you haven't played pool in years, you just used it to store boxes of junk or wrap Christmas presents and now you are just trying to get rid of it.) If the pool table, or the broken hot tub is still at the property when the Buyer does their final walkthrough, you can bet that the Buyer is going to ask for a credit sufficient to pay someone to remove these large souvenirs or may even cancel the closing until they are removed.

Make sure not to leave any lovely parting gifts behind unless the Buyer agrees in writing.

5. The Buyer Isn't Satisfied (How Can That Be!?) Or Questions The Repairs You Agreed To Make.

A greedy Buyer can use the repair checklist to nickel and dime you at the closing by questioning the work, including the quality of the work, who did the work, how much you paid for the work, work that they thought you were doing, work you shouldn't have done...the list goes on. One way to avoid problems is to keep a clear list of what repairs you agreed to make and check things off as you go. For extra peace of mind, you can verify the list with your Realtor or Real Estate Attorney. Another way to avoid repair problems is negotiating credits instead of repairs. If you agree to make repairs, provide receipts or an opportunity for the Buyer to verify that they are satisfied with the repairs as early as possible.

You can avoid these common, deal-killing mistakes by working with your realtor and real estate attorney as a team.

Need more advice?

If you have any questions about selling your home, I would be happy to chat with you. Feel free to give my office a call to schedule a time to chat: **773-217-9623**

Of course, we know that all Buyers aren't greedy (They are more likely stressed as well and worried about satisfying their lender!) and we are always happy to help Buyers too!



Adam Diamond has helped hundreds of Sellers have smooth closings and move in to their dream homes.

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