

Realtor Best Practices

To best prepare for timing requirements, the following best practices will explain how closings can occur on time.

✓	PRE-QUALIFY BORROWERS Make sure buyers have been pre-qualified prior to writing the contract. Even though we are not allowed to require documents from borrowers prior to the Loan Estimate being sent, most borrowers will voluntarily give this information in order to know if they qualify for a loan.
✓	REALISTIC CONTRACT CLOSING DATE When writing the contract, consider recommending that contracts are written for ____ days. This is based on how we have worked together in the past and how long we will need to close. Clear communication and expectations set up front between us are key to an on-time closing. We need to know where the down-payment is coming from up front and have all borrower documents within days of contract execution. Unexpected delays (property inspection issues, appraisal issues, unique documentation issues, etc.) will require a contract extension. I will communicate this to you as soon as the issue is known so that you can inform all parties that an extension will be required.
✓	CONTRACT REQUIREMENTS Contract should be complete with both buyer and seller Realtor information complete along with the license numbers of each individual agent and the company number. The license numbers and Realtor names print on the Closing Disclosure so the latest we can have them is 7 days (excluding holidays and Sundays) prior to closing.
✓	Contract should be clear about whether or not there will be an Owners Title Policy and who is paying for it. Remember our Loan Estimate must go out with the full cost of the Owners Title Policy and full cost of the Lenders Title Policy. Our Loan Estimate will go out with the words "OPTIONAL" after the Owners Title Policy fee.
✓	Contract should be clear if a property type is unique—2 to 4 family or condominium or attached PUD. If property has a HOA make sure contract has HOA contact information. There is \$0 tolerance from the amount on the Loan Estimate to the Closing Disclosure, so we need to make sure we get the correct fee upfront.
✓	Contract should be clear if there is a Realtor Admin fee paid by the buyer. This needs to be on our Loan Estimate when one is being charged to the buyer. (However this is not a tolerance issue if it is missing.)

Loan Officer and REALTOR® need to have
~~good~~ organization and set expectations.
excellent

✓	CONTRACT TO EQUITY RESOURCES ASAP Get contract over to the Loan Officer as soon as possible! The day of contract is the best, even if contract is <u>unsigned</u> but agreed to.
✓	Get <u>signed</u> contract over as soon as it is executed.
✓	Recommend your borrower sit down with me the same day the contract is signed. Make sure they know to bring all of their supporting documentation.
✓	INSPECTIONS AND REMEDIES Get inspections done as soon as possible. Don't tell us to not order the appraisal until done, this will slow down the process. Instead, communicate as quickly as possible once the inspection is done to cancel the appraisal appointment if there are issues that cannot be remedied.
✓	Don't write in the contract any excessive days to resolve remedies unless contract expiration date will be extended for the same period of time.
✓	CLEAR COMMUNICATION Explain to the borrower that home owners insurance should be committed to within 15 days of contract. I will need a policy from the insurance agent to ensure our Closing Disclosure is accurate.
✓	Explain to the borrower that all items requested by us need to be given to us 15 days prior to closing date so closing can occur on time.
✓	We need to have excellent organization and set realistic expectations between us.



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