

Report 05

POTENTIAL ROAD BLOCKS TO A SUCCESSFUL CLOSING

The vast majority of people in business are not in enduring businesses, they are in elongated promotions.

Successful businesses have a system for every process. This system allows them to solve problems in advance instead of being in the business of "putting out fires." The following list was developed from research of the real estate industry to find out why customers were dissatisfied with the mortgage and real estate process. Our team is committed to developing systems that will enable us to overcome these problems, resulting in a successful closing. The first step is to educate you as to what the potential problems are so that you can anticipate them along with our team, and be fully educated as to what goes on behind the scenes in your real estate transaction.

The Lender:

1. Lender does not properly pre qualify borrower.
2. Lender decides last minute they aren't comfortable with the property.
3. Lender wants property repaired or cleaned prior to close.
4. Lender raises rates, points, or costs.
5. Borrower does not qualify because of a late addition of information.
6. Lender requires a last minute review appraisal.
7. The borrower does not like the fine print in the loan documents when they receive them.
8. Lender misplaces a file.
9. The lender does not simultaneously ask for information from the buyer, they ask for it in bits and pieces.
10. Lender pulls a "bait & switch" on the buyer.

The Buyer

1. Did not give thorough information on loan application.
2. Did not give thorough information to their agent.
3. Submits incorrect tax returns to lender.
4. Is not fully committed to the transaction.
5. Source of down payment changes.
6. Family members do not like the purchase.
7. Is too demanding regarding condition and small items revealed on the home inspection.
8. Finds a property that is a better deal.
9. Instead of following through with transaction, is always negotiating.
10. The buyer brings an attorney in to the picture.
11. They do not execute paper-work in a timely manner.
12. They do not deliver their money in a "cashier check" or "money order" form to the closing agent.
13. Failure to put correct remitter's name on the gift funds check.
14. Comes up short on money.
15. Does not obtain insurance in a timely manner.
16. Job changes, illness, divorce, or other financial setback.
17. Upset about seller leaving home with dirty carpeting, bathroom, appliances, etc.

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