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5 things that can go wrong on closing day

Closing day for a house deal is a stressful experience for buyers and sellers, having to deal with movers, lawyers, real estate agents, insurance companies and lenders top make sure everything is in order. However, no matter how well you plan in advance, you must be prepared for closing issues. If you handle them the right way, your deal will still close and more importantly, both the buyer and the seller should be satisfied with the result.

Here are some of the problems I have experienced on or just before closing:

Where is my privacy?

In one case, the seller advertised the home as having large evergreens in the backyard, giving year round privacy. The sellers moved out a week before closing and gave their neighbour the permission to trim the branches on the neighbour's side of the fence. The neighbour proceeded to remove all the branches, taking away the entire privacy of the backyard. The buyers noticed this just before closing and were extremely upset.

A solution was proposed by a landscaper, to just plant 8 cedars in the space, creating instant privacy. Cost was about \$1,200 which seller paid. Problem solved.

There is a skunk underneath the front porch

The buyers found a family of skunks under the front porch on the day before closing. The seller lawyer said that it was not the seller's responsibility to remove the skunks from the property. It is difficult to tell who would win if this went to court. Instead, the seller paid a pest control company \$250 to remove the skunks. These companies also specialize in trapping raccoons and removing termites as well. Problem solved.

The furnace is not working

Most real estate agreements state that the home systems and appliances will be working on closing. When buyers go in to do the final visits, problems arise if they notice that things aren't working. The best way to resolve this is to immediately get an estimate to fix the problem and then offer the seller the option of fixing the problem themselves or giving the buyer a credit for the repair.

There is an outstanding permit at the City

When there is an outstanding permit, it typically means that the owner of the home has started work at the property that required a building permit, however, they did not have the inspector come and sign off when the work was finished. The buyer must have proof that the work was in fact done correctly or

else the buyer will be responsible to fix this after closing. If the permit related to work done by a prior owner who was not the actual seller, then it is possible that title insurance will solve the issue. Otherwise, it is best to contact the City, arrange for an inspector to come out to conduct whatever inspection is necessary to close the permit. This may require extending the closing date for a few days to get it done.

I can't get in the front door

I have seen situations where the seller leaves one key for the buyer and the rest of the keys on the kitchen counter. Problem is that there are 2 locks on the front door. In this situation buyers should immediately call a 24 hour locksmith to give them access into the home. The cost will be the seller's responsibility.

If you relax and look for common sense solutions, most closing day issues can be overcome to the satisfaction of both buyers and sellers.

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