

Your closing checklist

Congratulations!

You're almost done with the home buying and mortgage process, but there's one last step: closing.

Closing is one of the most important parts of the process—it's when you legally commit to your mortgage loan. This checklist will help you prepare for closing so you can sign your papers with confidence.



Savvy mortgage borrowers...

- ✓ Take closing seriously—they know that closing is the moment when you commit yourself to up to 30 years of mortgage payments.
- ✓ Prepare for their closing in advance, so they can be confident and prepared on the big day.
- ✓ Pay attention to the details at closing to make sure they are getting what they expected.
- ✓ Know they have a right to understand 100 percent of what they are signing.
- ✓ Ask questions until they understand.
- ✓ Know that walking away at closing is better than signing a bad deal.

Top mistakes to avoid at closing

- ✗ Rushing. Closing on your home and mortgage is one of the most important financial commitments you'll ever make. Take all the time you need.
- ✗ Trying to make someone else happy. You are going to be the one who has to pay the mortgage every month. The only person you need to make happy is you.
- ✗ Feeling like you "should" know the answer to something, and not asking questions. Mortgages are complicated, and there's a lot of unfamiliar paperwork. When in doubt, ask!
- ✗ Silencing that little voice inside you that says something is wrong. Trust your gut and speak up. Now is the time to prevent future problems.

This checklist will help you prepare for closing, know what to expect, and close with confidence. Let's get started!

Before closing

Taking a few key actions can make your home closing less stressful. Use this worksheet to prepare in advance.

1. Find out who will conduct your closing, where to be, and when

The person who conducts your closing varies by state.

? Who will be conducting my closing? (Ask your real estate agent)

☐ Settlement agent ☐ Escrow agent

☐ Closing attorney ☐ Other _____

Name: _____ Phone: _____

? When is my closing? Where is my closing?

Date: _____ Time: _____

Address: _____

2. Ask the person who will conduct your closing what to expect at closing

The process varies by state.

? What do I need to bring to my closing?

☐ Review the list on page 4 and make any necessary changes.

? About how much will I need to pay at closing?

\$ _____

3. Request your closing documents three days in advance of closing

By law, lenders must give you your HUD-1 Settlement Statement one business day before closing.

These are some of the most important documents you'll see at closing:

☐ HUD-1 Settlement Statement

☐ Truth in Lending Disclosure (TIL)

☐ Mortgage / Security Instrument / Deed of Trust

☐ Promissory note

☐ Deed, document that transfers property ownership (purchase only)

☐ Right to Cancel (refinance only)

4. Identify people you can call if you need help during your closing.

Have contact information for an attorney or trusted friend with you, and make sure they will be available.

Name: _____

☐ This person's number is saved in my cell phone.

☐ I have told this person my closing date and time

Name: _____

☐ This person's number is saved in my cell phone.

☐ I have told this person my closing date and time

5. Schedule time the night before your closing to review documents.

Set aside plenty of time to carefully review the documents for errors and to make sure you have a clear understanding of the loan terms.

Date: _____ Time: _____

6. Compare your HUD-1 Settlement Statement to your Good Faith Estimate

Use the worksheet on page three of your [HUD-1](#). By law, only certain costs can change.

Search for answers to these questions, and if you can't find them ask your loan officer:

- ? Are the loan type, interest rate, monthly payment and other key terms the same as I expected
- ? Are there any fees that I don't understand or that have changed significantly?
- ? Do I have an escrow account? Do I understand how that works?

7. Read the rest your closing documents

Use our [document summaries](#) to learn more about why your closing documents are important.

- ? Is my personal information correct on all of the documents?
- ? What happens if I don't pay my loan?
- ? Do the key numbers (loan amount, monthly payment, interest rate) match exactly across all of my documents?
- ? How can I exercise my Right to Cancel (refinance only)?

If you're unable to get the rest of your closing documents in advance, use this list at closing.

8. Prepare your cashier's check for the amount due at closing

☐ I have my cashier's check ready.



At closing

Your closing day has finally arrived! Bring this worksheet to your closing and use it as a guide.

1. Bring these things or people with you to closing

- ☐ The list of people to call that you prepared earlier.
- ☐ Your Good Faith Estimate and HUD-1 Settlement Statement. You'll want to compare it to the final documents one more time.
- ☐ A trusted friend, advisor, or lawyer, if you are worried that you won't have an advocate at the table.
- ☐ Your co-borrower or the person who is co-signing your loan.
- ☐ A cashier's check or money order for the exact amount of money you need to close.
- ☐ Your check book, in case there are any last minute changes.
- ☐ Your driver's license or ID.

2. Review our closing tips

- Take all the time you need. You have a right to read and understand your closing documents, no matter how long it takes.
- Double-check all of the documents to make sure they match the ones you reviewed at home, **before** signing.
- Be your own advocate and ask questions.
- Trust your gut. Don't go forward until you feel comfortable.

3. Ask these questions at your closing

- ❓ Will my taxes and insurance be included in my monthly payment, or will I have to pay them annually on my own?
- ❓ Where will I send my monthly payments?
- ❓ If I have Home Owners Association dues, how do I pay?
- ❓ Who should I call if I have questions after closing?

After closing

Phew! Now that the paperwork is over, set yourself up for success as a home owner with these final steps.

1. Save important documents

You should save the entire stack of documents, but sort these to the front for easy future reference

- ☐ HUD-1 Settlement Statement
- ☐ Truth in Lending Disclosure (TIL)
- ☐ Mortgage / Security Instrument / Deed of Trust
- ☐ Promissory note
- ☐ Deed, document that transfers property ownership (purchase only)
- ☐ Right to Cancel (refinance only)

2. Change your address

- ☐ Bank accounts, investment accounts, and credit card companies
- ☐ Department of Motor Vehicles and car insurance
- ☐ Cell phone company, health/life insurance, and other bills
- ☐ US Postal Service

3. Revise your budget and plan for future expenses

- Include Home Owners' Association (HOA) fees, and if you don't have an escrow account, property taxes and homeowner's insurance.
- Settle in to your new budget for a few months before making major home repairs or renovations.
- Set aside money each month in an emergency fund to cover essential repairs or loss of income.

4. Review your homeowner's insurance

- ❓ Does it cover flood? Earthquake? Other disasters?
- ❓ Could you get a discount for having smoke alarms or if you get your car insurance with the same company?
- ❓ Could you save money by increasing your deductible?

5. Watch out for:

- ❗ Changes in your monthly payment. Even if you have a fixed-rate loan, your total monthly payment will change if your taxes, mortgage insurance, or homeowner's insurance go up or down.
- ❗ Servicing changes. The "servicer" is where you send your mortgage payments, and your servicer might change. If your servicer changes, you'll get this notice in advance.
- ❗ Offers for new credit cards. Credit card marketers often target new homeowners. Be careful not to get yourself into trouble. Don't apply for more credit than you need, and don't charge something if you can't afford it. If you want to opt-out of the notices, you can do so [online](#) or by calling 1-888-567-8688.
- ❗ Scams. One common scam that new homeowners see is a bi-weekly payment plan offered for a fee. A bi-weekly payment plan is smart for people who get paid bi-weekly—you'll pay off your loan quicker and save money—but you don't have to pay for this service. You can talk to your servicer and it up yourself.
- ❗ Home equity credit offers. You might start to get offers for lines of credit in the mail, but it's a good idea to settle in to your new budget before considering them.
- ❗ Refinance offers that don't save you money. Don't refinance too often, or fees can really add up. When considering a refinance, make sure you're saving money with a lower interest rate. [Learn more about refinancing.](#)

6. Act fast to avoid foreclosure if you get behind on payments

If you run into financial trouble, your mortgage servicer is required to explain what options are available to avoid foreclosure. Talk to your mortgage servicer if you get into trouble, and call a housing counselor. [HUD-approved counselors](#) are trained professionals who will help you at little or no charge to you.

7. The CFPB is here to help you

- ☐ Have questions? [Get answers from AskCFPB.](#)
- ☐ Have a complaint? [File a complaint with CFPB.](#)



Consumer Financial
Protection Bureau

Learn more at consumerfinance.gov/owning-a-home

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