

Real Estate Today

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Catching an Error at Closing Saved My Client About \$600

By **JIM SMITH, Realtor®**

Last Friday I had the satisfaction of catching an error by a closing agent that would have cost my client — and *did* in fact cost a dozen other clients — about \$600. The listing agent thanked me for the “good catch” and assured me that the seller will send those other buyers a check to cover the error which I uncovered.



If you’ve been to a real estate closing, you know that there are many documents to sign containing many numbers, and although a closing agent may do a good job of explaining each document and each number, you really are trusting that the numbers are correct.

The typical buyer may attend one such closing in a given decade, but a real estate professional like myself attends enough real estate closings every month that he or she can recognize when something is “not right.”

One of the figures that appears on every closing statement is the pro-ration of property taxes, which aren’t payable until the next year. Buyer and seller sign a form that the pro-ration is final, so it needs to be correct.

For example, if the property taxes on the house you’re buying are \$4,000 per year and you buy the house on June 30th, the seller will credit you with \$2,000 at closing and you will pay the full \$4,000 tax bill next spring. The later the closing occurs in the calendar year, the bigger the pro-rated amount will be.

On new construction, the tax bill and the corresponding pro-ration is often low, because it is based on the value of the property prior to its completion and is not adjusted mid-year.

Nevertheless, you can imagine my surprise last Friday at the closing on a new Golden condo when the pro-ration was based on a full-year tax bill of only \$118. Because we were closing on Oct. 6, the builder was crediting just over 75% of that amount, or \$90, to the buyer on the settlement statement.

I interrupted the closing long enough to verify the assessment with the Jeffco Assessor’s office, and then to do the math for calculating this unit’s tax bill. Sure enough, the tax bill computed at about \$900, not \$118, and the buyer’s credit increased by about \$600.

Although there had been a dozen closings on other condos in the same building, each with the same error, I was the first buyer’s agent to suspect an error and take action on it.

Some Political Endorsements

Through their hard work and attention to detail, **Gwyn Green** and **Moe Keller** deserve to be re-elected to their Colorado House and Senate seats. I know and respect both of them.

Similarly, **Ed Perlmutter** deserves to represent CD 7 in Congress, and **Bill Winter** would be an excellent replacement for Rep. Tom Trancredo in CD 6. One-party rule in Washington has facilitated the current mess, and it would help to rescue our country from its current downward spiral if at least one house of Congress were not controlled by same political party as the presidency.

Likewise, Jeffco suffers from one-party rule at the Commissioner level, and if **Kathy Hartman** is able to replace Dave Auburn, it would help in the fight against the ill-conceived beltway through Golden. I also know and trust **Rocky Germano** (for Assessor) and **Linda Rockwell** (for Clerk & Recorder) and am happy to endorse them, too.

This Week’s Featured New Listing

Like Living on an English Mews, in Golden

I love the town houses of “Victoria Square” in downtown Golden, because they have this brick walkway and lawn in front, and the cars enter their respective garages from two different alleys. There are only eight units in four duplexes, and the homeowners live in harmony without any HOA or dues. Perhaps the people-friendly design has something to do with that! This particular unit at 703 Illinois, is nicely appointed with granite counters, enlarged kitchen, freshly refinished hardwood floors, and more. Visit the website to fully appreciate it!

\$299,000



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