

67 Types of Turbulence in a Real Estate Transaction or Mortgage Loan The Lender:

1. Does not properly pre-qualify borrower.
2. Decides last minute they aren't comfortable with the property.
3. Wants property repaired or cleaned prior to close.
4. Raises rates, points, or costs.
5. Requires a re-appraisal at last minute.
6. Does not simultaneously ask for information from the buyer, they ask for it in bits and pieces.
7. Pulls a "bait & switch" on the buyer, promising certain terms to the buyer which are now unavailable.
8. Does not clarify underwriting conditions in a timely manner.
9. Does not communicate with all parties effectively.

The Buyer:

1. Does not give thorough information on loan applications.
2. Does not give thorough information to their agent.
3. Submits incorrect tax returns to lender.
4. Is not fully committed to the transaction.
5. Does not qualify because of a late addition of information.
6. Does not like the fine print in the loan documents.
7. Changes the source of the down payment.
8. Has family members that do not like the purchase.
9. Is too demanding or not willing to provide adequate information to address the lender's concerns.
10. Finds another property that is a better deal.
11. Instead of following through with transaction steps, is always negotiating.
12. Brings an attorney into the picture.
13. Does not execute paperwork in a timely manner.
14. Does not deliver their money in a "check cleared" fashion to the closing agent.
15. Experiences job changes, illness, divorce, or other financial setbacks.
16. Comes up short on money.
17. Does not obtain insurance in a timely manner.
18. Incurs new debt.

The Escrow & Title Company:

1. Fails to obtain information from beneficiaries, lien holders, and title companies, insurance companies or lenders in a timely manner.
2. Lets principles leave town without getting all necessary signatures.
3. Incorrect at interpreting or assuming aspects of the transaction and then passing these items onto related parties such as lenders, buyers, and sellers.
4. Loses paperwork.
5. Incorrectly prepares paperwork.
6. Does not pass on valuable information fast enough.
7. Does not coordinate well so that many items can be done simultaneously.
8. Does not find liens or problems until the last minute.
9. Provides poor service.
10. Does not bend rules on small problems.

The Seller:

1. Loses motivation (i.e. job transfer does not go through, etc.)
2. Experiences illness, divorce, or other personal strife.
3. Has hidden defects in the home that are subsequently discovered.
4. Has unknown defects that are discovered.
5. Is unwilling to repair the average amount of small defects revealed in the home inspection.
6. Removes property from the premises that the buyer believed was included.
7. Is unable to clear up problems or liens.
8. Has last minute solvable liens are discovered.
9. Does not own 100% of property as previously disclosed.
10. Mistakenly believes partners signatures were "no problem" (but they were).
11. Leaves town without assigning power of attorney.
12. Receives an unclear notarizing stamp of signature from the notary.
13. Delays the projected move-out date.
14. Conducts inappropriate communication with the buyer.

The Appraiser:

1. Misinterprets the market.
2. Can't find comparable sales available in the area.
3. Delays appraisal (too busy, etc.)
4. Returns an incorrect appraisal
5. Returns appraisal that is too low.
6. Finds comparables that are too low.

The other Real Estate Agent:

1. Delivers unskilled performance (of one or more agents).
2. Lacks control of situation or client.
3. Is too busy.
4. Has a different business standard.
5. Leaves town without backup.
6. Communicates poorly with client.
7. Responds slowly.
8. Does not understand terms and conditions of contract.
9. Does not understand urgency of documentation.
10. Submits an inappropriate contract.