

# 7 most common home closing delays (and how to avoid them)

Tips on financing, title issues, appraisals, inspections



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Understanding common roadblocks and staying proactive can help keep transactions on track. (CoStar)

By [Amy David](#)

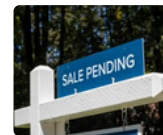
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## Key takeaways

- Many common closing delays are preventable. Financing changes, title issues, low appraisals and missing documents often stall closings, but early preparation and attention to contingencies can reduce risk.
- Contracts and contingencies protect buyers and sellers. Appraisal, inspection and home sale contingencies — along with clear, detailed contracts — help manage unexpected issues and prevent costly breaches.
- Closing delays can carry real financial consequences. Missed deadlines may lead to lost earnest money, per diem fees or higher mortgage rates, making proactive communication with lenders, agents and title companies essential.

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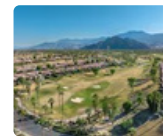
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Issues such as title problems, financing challenges and low appraisals can delay a home closing. While frustrating, many of these setbacks can be avoided with preparation and careful attention to deadlines.

A delayed closing can disrupt moving plans, increase expenses and raise the risk of the deal falling through. Understanding common roadblocks and staying proactive can help keep transactions on track.

Delays can lead to added costs or deal failure, including:

- **Loss of earnest money:** Sellers may keep deposits if buyers breach contract or miss deadlines.
- **Per diem fees:** Sellers may charge daily fees after the agreed closing date.
- **Interest rate changes:** Rate locks typically last 30- to 60 days. Delays may increase rates or require paid extensions.

Here are seven common reasons home closings are delayed — and how buyers can reduce the risk.

## 1. Financing falls through

Mortgage approval issues are among the most common causes of delayed closings. Financing can unravel if a buyer loses or changes jobs, finances a major purchase or takes on new debt after preapproval.

“If your debt-to-income changes at all, it will delay the process,” said Rick Woods, a real estate agent with Keller Williams in Tampa, Florida. “Going through all the documents takes a long time, especially if lenders ask for more. Secure financing as early as possible so issues don’t affect your closing.”

Buyers should avoid new credit applications, keep bill payments current and review their credit report for errors.

### What buyers can do:

- Maintain steady employment through closing
- Avoid opening new credit cards or loans



- Pay all bills on time
- Review credit reports for errors
- Respond promptly to lender document requests

## 2. Title issues surface

Before closing, a title company or real estate attorney conducts a title search to confirm the property is free of ownership disputes, liens or unpaid taxes. Title insurance protects buyers if a problem is missed.

“Title insurance is the only thing the buyer can do to protect themselves if the search misses something,” Woods said. Deed issues or ownership disputes can even result in litigation.

Buyers should also consider ordering a survey to confirm boundaries and request lien letters to identify open or expired permits.

### What buyers can do:

- Confirm a full title search is ordered early.
- Purchase title insurance.
- Request lien letters and permit checks.
- Order a property survey to confirm boundaries.
- Ask about unresolved liens, ownership disputes or unpaid taxes.

## 3. The appraisal comes in low

Appraisals determine whether a home's value supports the sale price. If the appraisal is lower than expected, lenders will only finance up to the appraised amount.

Buyers may need to renegotiate, bring additional cash to closing or request an appraisal review. An appraisal contingency allows buyers to walk away without losing their earnest money.

“I see this happening more and more,” Woods said.

“Without spare cash or a contingency, you're in breach of contract if you try to back out.”



- Confirm the contract includes an appraisal contingency.
- Budget for a potential appraisal gap.
- Be prepared to renegotiate with the seller.
- Review comparable sales with your agent.
- Request an appraisal review if errors are suspected.

#### 4. Inspection and repair issues

Home inspections often uncover problems that can slow negotiations.

“Buyers should never skip the inspection,” said [Julie Jones](#), an agent with Smith & Associates Real Estate in [St. Petersburg, Florida](#). “Issues come up all the time. I also recommend another look if there’s been a major storm or the inspection felt rushed.”

Scheduling inspections promptly and focusing on major repairs or safety concerns can help keep deals moving. An inspection contingency allows buyers to renegotiate repairs or walk away while keeping their deposit if no agreement is reached.

##### What buyers can do:

- Schedule the inspection immediately after going under contract.
- Attend the inspection when possible.
- Focus negotiations on major repairs or safety issues.
- Request additional inspections if needed.
- Ensure the contract includes an inspection contingency.

#### 5. A home sale contingency

A home sale contingency requires buyers to sell their current home before purchasing a new one, often within 30- to 60 days. This can create uncertainty for sellers and delay the closing.

To reduce risk, sellers may include a kick-out clause, allowing them to continue marketing the home and accept



## What buyers can do:

- List your current home as early as possible.
- Understand all contingency deadlines.
- Price the home competitively to avoid delays.
- Plan for temporary housing if timing shifts.
- Review kick-out clauses with your agent.

## 6. Missing HOA documents

Buyers in homeowners associations or condominiums must receive and review HOA resale packages before closing. These documents outline rules, financial health and potential cost increases.

Delayed or missing documents can stall a closing or give buyers the right to cancel the deal. Resale packages may also disclose upcoming fee increases or special assessments.

HOA documents typically take five- to 15 days to receive, and agents coordinate delivery between buyers and sellers.

### What buyers can do:

- Request HOA resale documents immediately.
- Review rules, bylaws and financial statements.
- Confirm current and upcoming HOA fees.
- Check for special assessments.
- Track document review deadlines carefully.

## 7. Breach of contract

A breach occurs when either party fails to meet contractual obligations, potentially delaying closing or triggering legal disputes.

“If it’s not in the contract, it doesn’t matter,” Jones said.

“Contracts need to be detailed and specific, or the deal can drag out.”

### What buyers can do:

- Read all contract terms closely.

- Ensure all contingencies are clearly written.
- Communicate changes promptly through an agent.
- Avoid relying on verbal agreements.

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