



HURRICANES & THE CLOSING PROCESS

Hurricane season runs from June 1st to November 30th in the State of Florida. These storms can have a large impact on life and property, but also a closing as well. Below are some things to keep in mind when dealing with a property transaction when a tropical storm or hurricane is approaching the state:

- Keep an eye on projected storm tracks, weather updates, and local emergency advisories.
- Proactively communicate with clients and those parties involved in a transaction about potential impacts on the transaction timelines.
- Homeowner's Insurance companies often impose binding restrictions as a storm approaches. This means they may not be able to write new policies or make changes to existing ones.
- There is no set "rule" for when an insurance company may impose binding restrictions. It is recommended that customers secure homeowner's insurance well in advance of any impending storms.
- Sellers should verify coverage for specific weather events such as wind and flood damage (pursuant to the property's location), while in possession of the property. Buyers should also verify coverage when purchasing a new policy for the property.
- Storms can cause delays to scheduled inspections and appraisals.
- Re-inspections may be needed if the property is impacted by a storm.
- Pay close attention to contract clauses and verbiage that deal with potential delays and property damage due to a storm.
- Keep in mind any potential changes in interest rates or mortgage terms if the closing is delayed due to a weather event.
- Make sure the property is secure and consider reinforcing the home and removing potential "projectiles" from the property in advance of a storm.
- Keep documentation throughout the process of any repairs, extensions, etc. Also as a general rule, ensure important documents are kept safe during a weather event. Consider digital storage solutions.
- After a storm passes, communicate with parties involved about any matters that may affect the closing or transaction.
- Collaboration is key. Weather events can be unpredictable, stressful, and disruptive. When all parties work together, it helps with navigating the property buying/selling process, even in the face of a storm.