

## **9 STEPS OF BUYING A HOME IN NEW JERSEY**

Buying a home in any state can be overwhelming, especially without any guidance from a professional Realtor. To provide some guidance and make the process easier, provided below are 10 systematic steps to purchasing a home in New Jersey.

### **STEP 1: THE DECISION TO BUY**

Whether you are a first-time homebuyer or entering the marketplace as a repeat buyer, you need to ask why you want to buy. Are you planning to move to a new community due to a lifestyle change or is buying an option and not a requirement? What would you like in terms of real estate that you do not now have? Do you have a purchasing timeframe?



Whatever your answers, the more you know about the real estate marketplace, the more likely you are to effectively define your goals.

### **STEP 2: THE MORTGAGE PRE-APPROVAL**

In New Jersey the demand for housing is high. It is highly recommended that buyers be "Pre-Approved" by Qualified Mortgage Agency/Broker prior to starting the home search process. Although the pre-approval is not a final loan commitment, the pre-approval letter is needed when bidding on a home. It demonstrates your financial strength and shows that you have the ability to proceed with a purchase.

### **STEP 3: PREVIEW HOMES FOR SALE**

Your Realtor can provide detailed information on any property currently listed for sale, whether it is listed by a Weichert Realtors or any another real estate company.

If you see a "For Sale" sign or an ad in the newspaper on a property that interests you, contact me immediately so I can provide you with all the details including the price, description, special features, and the financing terms. Remember, I am already familiar with your housing and financial needs, so there is no reason to go through the process again with someone else. This will save you time and take the hassle out of house hunting... and, it won't cost you a penny more!

### **STEP 4: HOME SELECTED - PLAN THE APPROACH**

Negotiating the purchase agreement is part of every transaction. Preparation lets you negotiate the best price and terms obtainable. Your Weichert Realtors Sales Associate's experience will help you in developing negotiating strategies and techniques to plan the approach to be taken.

### **STEP 5: MAKE THE OFFER**

You have found one that meets your needs and you are ready to make an offer! The process varies around the country. In a typical situation in New Jersey, you will complete an official contract of sale that your Realtor Sales Associate will prepare, have you review and sign then present to the owner and /or owner's representative. You will be expected to submit a good faith deposit, usually \$1,000 as earnest money at this time. The owner, in turn, may accept, reject, or make a counter-offer. Because counter-offers are common (any change in an offer can be considered a counter-offer) it is important for buyers to remain in close contact with your Realtors Sales Associate during the negotiation process so that any proposed changes can be reviewed quickly. Your purchase offer should be carefully prepared and presented by your Realtors Buyer's Agent.

### **STEP 6: OFFER ACCEPTANCE - ATTORNEY REVIEW COMMENCES**

In New Jersey, although not mandatory, it is a prudent, typical practice to hire an attorney for the closing of real estate. An accepted buyer offer leads to a legally binding purchase contract. The contract is a signed agreement between the seller and the buyer. Attorney review in the state of New Jersey is considered three business days,

but can be extended. During the three-day attorney review, either party can cancel the contract. A list of Attorneys will be provided to you so you can call and make your selection.

#### **STEP 7: HOME INSPECTIONS ORDERED - PERFORMED**

As a buyer in New Jersey, you are responsible for hiring and paying for a home inspector. The home inspection should be ordered within 10 days of the contract being signed. A number of inspections are common in New Jersey residential realty transactions. They include inspection for termites, wood-boring insects, a radon inspection, mechanical and structural inspection. Attorneys order the title insurance, survey and record the deed. During these examinations, an inspector comes to the property to determine if there are material physical defects and whether expensive repairs and replacements are likely to be required in the next few years. Such inspections for a single-family home often require two or three hours, and buyers should attend. This is an opportunity to examine the property's mechanics and structure, ask questions and learn far more about the property than is possible with an informal walk-through.

Any home inspection issues should be addressed immediately after inspection results are received.

#### **STEP 8: MORTGAGE COMMITMENT - SECOND DEPOSIT - ATTORNEY ORDERS TITLE WORK, SURVEY, ETC.**

At this time in the process, you as a buyer have already been pre-approved for a loan and the final mortgage commitment is being awaited. Typically, this process can take up to 30 to 45 days before a final written mortgage commitment is received. Whatever time frame is specified in the contract of sale, normally after 10 business days, the balance of usual 10% deposit is due. Your attorney will also start the process of ordering the survey, and title work.

#### **STEP 9: THE WALK -THROUGH - THE CLOSING**

Coordinated through your Agent, the walk-through inspection is performed the day of the closing. The walk-through of the home you're about to close on lets you re-confirm the condition of the home before the closing takes place. What to expect: Settlement is a brief process where the necessary paperwork needed to complete the transaction is signed. Closing in New Jersey is typically held at the buyer's attorney's office, sometimes with both buyer and seller at the same table, sometimes with each party completing their paperwork separately. The buyer traditionally arrives 45 minutes earlier to handle the mortgage paperwork. Title to the property is transferred from seller to buyer. The buyer receives the keys and the seller receives payment for the home. From the amount credited to the seller, the closing agent subtracts money to pay off the existing mortgage and other transaction costs. Deeds, loan papers, and other documents are prepared, signed and filed with local property record offices. Please see Buyers Estimated Closing Costs within this web site.

I look forward to finding you the home of your dreams!

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