

Buying a home in New Jersey

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If you haven't bought a home in awhile or you're buying your first home, here is some information that may be helpful for you:

1. When you first meeting with a Realtor, you'll let them know your requirements for a home. Some of these requirements will include price range, towns, number of bedrooms & baths, style of home and lot size.
2. Your next step is to meet with a mortgage representative to obtain a pre-qualification letter, this can typically be done on the phone. The mortgage representative will make sure you are comfortable with the monthly payments for the price range house you are looking for.
3. Once you determine your specifications, your Realtor can email all of the current homes that meet your requirements. They can also set you up for automatic emails from the MLS to have any new listings sent automatically to you.
4. Once you see some homes you're interested in seeing, your Realtor can schedule the appointments. 6-7 homes in one day is usually the maximum you want to schedule otherwise the home features are going to start blending together. You may want to do drive bys before making the appointments to make sure you like the street. On each listing printout, it's a good idea to take notes to better help you remember each home.

5. When you have found your dream home, you're ready to make an offer. You typically will write a check out for \$1,000 with the offer; this check will get held in the Realtor's trust account. Your Realtor will write up an offer which will include:
 - a. Offer amount
 - b. Closing date
 - c. Items included in the home
 - d. Type of payment (cash, mortgage...)
 - e. Any contingencies
6. Your Realtor should try to present the offer in person. Some sellers won't allow the offer to be presented in person. If your Realtor isn't allowed to present the offer in person then they should write a detailed cover letter with the offer describing what great buyers you are!
7. Negotiations can be completed that same day or can take up to several days. It all depends how quickly the seller responds to your offer and any counter offers.
8. Once you come to terms, the sellers sign the contract and the Realtors send the contracts off to the attorneys for their review. Attorney review can be completed in a couple of days but could take up to several weeks! Many attorneys are slow to respond and may disagree upon a number of issues that may take awhile to resolve. It's important for your Realtor to push attorney review along because someone else could still come along and put in an offer at this point.
9. Once Attorney review is complete, you are now under contract. Although the sellers can still show the home, they can only accept back-up offers at this point.

10. You'll need to start your mortgage application. Conventional can be done as quickly as 4 weeks and FHA takes at least 6 weeks. Fees and rates can vary so make sure you shop around or ask your Realtor for a referral.
11. You'll also need to get your home inspection scheduled right away, you typically have 10 days to complete after attorney review. The inspection may include entire house (electrical, structural, appliances, plumbing, etc...), termite, radon and septic. The seller's in NJ are responsible for getting the water tested if they have a well.
12. Once the inspection report is complete, you may ask the sellers to repair what you feel is important. The sellers may refuse to repair anything and you could cancel the contract at this point and get your deposit money back. Inspection issues are discussed among the attorneys and a mutual agreed upon resolution is targeted.
13. Typically 10 days after attorney review is complete, a second deposit check is required. This varies from a few thousand to up to 10% of the selling price. This money is being held in a trust account.
14. During your mortgage application process, the bank will send an appraiser out to the property to make sure your not paying more than the house is worth. You'll also be directed to get home owners insurance.
15. Your attorney will be ordering a survey and title search of the property.

16. About a week before closing, your attorney will review the HUD with you; this document details all of the money that will be exchanged at closing.

17. A few days before you'll need to make sure all of the utilities are set to transfer into your name at closing day.

18. The morning of closing you'll do a walk through to make sure everything was corrected and the house is broom clean.

19. Off to closing. The closing typically takes place at your attorney's office. The seller's may opt not to be there. There will be a lot of paperwork to sign, closing will take anywhere from 1-2 hours. It of course could take longer if there are problems.

20. When all of the paperwork is signed, the keys are handed over to you and the house is yours!