



## PURCHASER'S GUIDEBOOK

# The Journey to Your Dream Home

Our comprehensive guide simplifies every step of the home buying process, ensuring your ideal home is within reach, whether it's your first or your next. Let's begin this exciting adventure together and unlock the door to your dream home



## NEGOTIATIONS

While we don't usually participate in negotiations (especially when a realtor is involved), we are here to answer any questions or give tips prior to signing of the contract. In the event of a For Sale By Owner (FSBO), you will need an attorney to negotiate and prepare the contract.

## ATTORNEY REVIEW (AR)

A period that allows Buyers and Sellers to clarify, modify, add and/or subtract terms to the contract OR in the case of FSBO, is the contract preparation phase. If you have any preferences or changes you must let us know during this time.

AR must commence within three **(3) business days** of contract signing OR in the case of FSBO it is the contract preparation.

AR may last a day or weeks, depending on the situation, and is concluded once both sides agree on the changes or in the case of FSBO, the finalized Contract is signed.

## DEPOSIT & DEADLINES

Our office will notify you with the deposit instructions and the important deadlines of the transaction. If you cannot meet those dates, please notify us immediately so we can request an extension. Please keep in mind all dates are "on or about". Therefore We do not recommend you book moving companies, schedule deliveries to the property, etc., until closing is confirmed.



# INSPECTIONS

Inspection(s) of the property is always recommended. Depending on the type/location/age of the property, the most common inspections are a standard home inspections, a Wood Destroying Insect inspection, a tank sweep (if property was built before 1970), a radon test (if known to the area and a basement is present) and a sewer line inspection (for older homes).

## **SOME THINGS TO CONSIDER WHEN MAKING THE INSPECTION REQUESTS:**

- ✓ Focus on major items in the report (i.e. major systems, structural, environmental or safety issues)
- ✓ Seller is not required to make repairs to cosmetic items and/or items that are in working order but “near the end of its useful life”; and
- ✓ It is often helpful to obtain second opinions/written reports and proposals from specialists for major items.

Home inspection issues are often resolved through the Seller offering a “credit” for the issues, which essentially will act as a reduction to your closing costs (i.e. that much less funds to bring to closing), so the repairs can be completed by you after the closing.



## OPRA

Our office will order an OPRA (Open Public Records Act) of the property to obtain a record of all documents relevant to permits, taxes, violations, etc.

## MORTGAGE (IF APPLICABLE)

You are responsible for promptly applying for and obtaining a loan within the time constraints of your contract.

A mortgage commitment letter is a document from a mortgage lender that signifies lender's promise to provide you the loan. Your mortgage company will require documents from you. It is your responsibility to forward these documents to the lender as soon as possible to avoid delays.

The lender will provide you with a Closing Disclosure "CD" which has your estimated closing costs. You may receive several of these throughout the transaction. Do not be alarmed by these estimated CDs. The final CD will be sent to you by our office (see "Closing" section below.).

Mortgage figures are part of your closing costs, together with title fees, survey fee, attorney fee, taxes, interest and escrows.

In many cases, the mortgage is subject to the appraisal (i.e. the property's worth vs the contract price). In the event the property under appraises, and if your contract allows it, we will negotiate the price based on the appraised value.



## CITY INSPECTIONS

Every municipality has different requirements for resale of property within that municipality. Every township requires a fire inspection and some require a CO (Certificate of Occupancy) inspection prior to transfer or ownership. This is usually the seller's responsibility unless otherwise advised.



## TITLE

Title searches are required by your lender and in any event, always recommended. Title searches will reveal all defects in the chain of title (ownership). Title searches allows our office to monitor the Seller to ensure that these defects are closed, satisfied or otherwise discharged at closing, allowing you to obtain the property free and clear of any liens from any prior owners. This will guarantee that no past owner, or any persons of relation to them, have any rights to the property and that it is, in fact, 100% yours.

Title Insurance rates are a one-time fee and based off of the purchase price; however are regulated by the State of New Jersey, so title fees will only slightly vary by company.

A survey is part of the title and another item that is highly recommended. The survey will show you the boundary lines of the property to ensure there are no encroachments on your property (sheds, fences, driveways, etc.) from neighboring properties, to ensure you get full use of your property, or vice versa. A survey is also required if you intend to file for permits for improvements to the property.

An "Owner's Policy" of Title Insurance will be forwarded to you by the title company a few months after closing.



# CLOSING

We try our best to close on the contract closing date however, there are several factors that must come into play to close.

- ✓ Inspections must be resolved and any agreed upon repairs completed.
- ✓ Title must be clear.
- ✓ Lender must be ready.
- ✓ Seller must have obtained city inspection certificates.



Once closing is confirmed, our office will send you a confirmation of the details and next steps. You most likely will not have the final CD until the day before closing.

Closings usually occur in the afternoon because on the day of closing, you should expect to do a final walk through of the property, and you may also need to go to the bank

Closings usually occur in the afternoon. Once you have the final CD, you will need to obtain a bank check or send a wire for the final amount needed, which gets paid to the title company, and then they disburse all funds as needed.



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**THANK YOU!**

If you're interested in learning more or working with the Key Esquire team, please call our office to book a free consultation or visit our website for more info.