

Real Estate Transactions

For the Buyer:

- Pre- closing:
 - Contract dates: Be aware of the dates in the contract to pay your deposit, to have your mortgage commitment in place, to perform any inspections and forward the reports to this office.
 - Inspections: Inspections may include termite/pest, mold, radon, oil tank, home inspection and septic inspection. Upon receipt of the inspection report, you will advise our office of any requests you may have. You will also check with the relevant township for open permits and violations. Lakewood:732-364-3760. Jackson:(732) 928-1200. Toms River: 732-341-1000, ext. 8320
 - Mortgage: This office will be in touch with your mortgage company to obtain a copy of your mortgage commitment. Below are “closing fees” collected at closing. Budget for approximately \$12,000- \$13,000 in closing costs:
 - Lender Fees
 - Origination fee
 - Appraisal
 - Credit report
 - Tax service
 - Flood cert
 - Escrows for taxes and home insurance x 4 months
 - Additional Fees
 - Home Insurance
 - Title fees
 - Legal fees
 - Property taxes
 - Recording fees to record the mortgage and deed
 - Survey
 - Title Insurance and survey: This office will order survey and title insurance on your behalf to ensure that you will own the property “free and clear” at closing. If buyer has a particular request please let us know now and we will take it into consideration.
 - Homeowner’s Insurance: Arrange for homeowners insurance and provide a one-year paid receipt and copy of the declaration page for the mortgage company and our office.
- Closing:
 - The contract’s closing date is an approximate date (unless the contract specifically calls for a “time of essence” closing.) Do not arrange for movers or schedule the moving truck until you confirm with our office.
 - Schedule the walk-through with your realtor or the Seller. The walk-through is usually done the morning of the closing.
 - The day of the closing – you and co-signor/s will attend closing. The closing will take place at the title company.

- A representative from our office will be present. A title representative will be present as well to ensure that the title company has all the documents that they need to transfer title. The cash for closing should be brought as a bank check payable to the title company or wire. We cannot provide you with accurate closing cost figures until a day or two prior to closing. Your lender will dictate many of the costs involved with closing.
- You will bring photo ID – a driver’s license is acceptable.
- The lender will wire over their loan money.
- The seller’s attorney will deliver their closing documents at or prior to closing which includes the house deed. You will sign the Closing statement (HUD or CD) which provides a breakdown of your settlement costs. You will also sign mortgage documents if closing with a loan. The closing will take approximately 45 minutes to one hour.
- Post closing:
 - Immediately after the closing you will change over all utilities to your name.
 - See below phone numbers:
 - JCPL 1-800-662-3115
 - NJ Natural Gas 1-800-221-0051
 - Jackson MUA 732-928-2222
 - Lakewood MUA 732-363-4422
 - NJ American Water 800-352-4772
 - Suez Water Toms River 1 877 565 1456.
 - Toms River MUA sewer 732-240-3500
 - The deed will be sent to the county clerk’s office to be recorded and you will receive the original recorded deed in the mail approximately 4 weeks after closing. An owner’s policy for your title insurance will be issued once the mortgage and deed are recorded.

Please note our policy regarding escrow funds-
Incoming wire may be disbursed the same business day.
Checks may be disbursed after 10 business days.
Certified checks or bank checks may be disbursed the next business day.

Please note our fee policy-

This transaction fee anticipates a standard closing. Additional charges may apply in the event of unforeseen complications. Although not anticipated in the event the matter goes to litigation the Law Office of Gerald J. Klein shall retain the right to withdraw from the retainer agreement.



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For the Seller:

- Pre-closing
 - Forward to our office copies of the deed, owner's policy and survey of the property.
 - Certificate for Occupancy/ Smoke Certification: You must contact your township to arrange for the Certificate Of Occupancy or Smoke Detector/Carbon Monoxide/Fire Extinguisher certificate as needed.
 - Well water: Well water certification must be obtained. Contact your county Board of Health for directions in obtaining this certification.
- Closing:
 - Be advised that it is not necessary for you to attend closing. You will pre-sign documents in our office which we will hold in escrow until closing of title.
 - Oil Tank Reading: Homeowners with oil heat should arrange for an oil reading close to the closing date, to get reimbursed for the leftover oil.
 - Mortgage_payoffs: You must provide us with a payoff for any open mortgages on the property
 - You will be expected to vacate the property prior to closing on the closing date.
 - Utilities must be working at the walk-through. Make the cancellation date one day later to protect against re-start fees.
 - You will advise our office if you want seller proceeds as a wire transfer or attorney trust account check.

Please note our policy regarding escrow funds-
Incoming wire may be disbursed the same business day.
Checks may be disbursed after 5 business days.
Certified checks or bank checks may be disbursed the next business day.

Real Estate Dictionary

Abstract - A history of all transactions shown in the public records affecting a particular tract of land.

Appraisal - A report from an independent third party detailing the estimated value of real estate.

Assessment - The valuation of real estate for purpose of taxes or special improvement charges.

Attorney Review Clause - A clause required to be in Contracts prepared by a real estate broker in New Jersey which allows for a three day period during which lawyers for the buyer and the seller can review the Contract and reject it for any reason or no reason at all. The lawyers can also recommend changes that may be acceptable to allow for the reinstatement of the Contract.

Back Title - Information, including Deeds and Title searches related to the property involved.

Certificate of Title - A certificate issued by a title examiner stating the condition of a title.

Clear Title - Real property ownership free of liens, defects, encumbrances or claims.

Closing - Also called "settlement." It is a meeting of all parties involved in a property transaction during which the transaction is finalized.

Commitment - A document issued by a title insurance company that contains the conditions under which a policy of title insurance will be issued. It is also called "binder."

Deed - A written legal document which is signed, executed and delivered in which the owner of real estate conveys some right, title or interest in it to another person.

Deposit - Payment of a portion of the purchase price of real estate normally held by a third party until the closing of title.

Escrow - A method of closing a real estate transaction in which all required documents and funds are placed with a third party for processing and disbursement.

Execute - To sign a legal instrument. A deed is said to be executed when it is signed, sealed, witnessed and delivered.

Fixed Rate Mortgage - A mortgage that has a rate of interest that remains the same for the life of the mortgage.

Foreclosure - A legal proceeding in which real estate secured by a mortgage or deed of trust is sold to satisfy the underlying debt.

Good Faith Estimate - An estimate of all closing costs including pre-paid and escrow items and lenders fees that must be given to the borrower by the lender within three days after a loan application is submitted.

Homeowners Insurance - Real estate insurance protecting against loss caused by fire, some natural causes, vandalism, etc., depending on the terms of the policy. Also may include coverage such as personal liability and theft away from home.

HUD (Department of Housing and Urban Development) - The federal department responsible for the major housing programs in the United States.

HUD-1 (RESPA) - An important legal document signed at closing which identifies all of the charges involved in a real estate transaction. It is also referred to as a Settlement Statement.

Judgment - The determination of a court regarding the rights of parties in an action. A judgment against a property owner can create a lien on all of that owner's land within the State.

Lien - A monetary charge imposed on a property, usually arising from some debt or obligation.

Mortgage - A loan obtained to purchase real estate which acts as a legal claim on the home or property that secures the promise to pay the debt.

Mortgage Insurance - Insurance written by an independent mortgage insurance company protecting the mortgage lender against loss incurred by a mortgage default, thus enabling the lender to lend a higher percentage of the sale price.

Payoff - The payment in full of an existing loan.

Point - Also called "commission points" or "discount points." One percent of the amount of the loan = one point.

Premium - The amount payable for an insurance policy.

Principal - A sum of money owed as a debt on which interest is payable or a person who empowers another to act as his representative or agent.

Promissory Note - A written promise to pay a sum of money, usually at a specified interest rate, at a stated time to a named payee. It is also called "note."

Real Estate Agent - A person licensed to negotiate and arrange real estate sales on behalf of a real estate broker.

Realty Transfer Fee - A tax imposed by the State of New Jersey on the sale of real estate located in the State.

Recording - The noting in the county clerk's office of the details of a legal document affecting the title to real estate. When such an instrument is properly recorded, it is considered to be a matter of public record and all subsequent purchasers are deemed to have constructive knowledge of that information.

Refinance - To pay off one or more loans by obtaining another loan.

Release - To relieve from debt or security or abandon a right, such as the release of a mortgage lien from a part or all of the land mortgaged.

Search - A careful examination of the public records in an effort to find all recorded instruments relating to a particular chain of title.

Survey - The measurement of the boundaries of a parcel of land, its area and, sometimes, its topography.

Title - A combination of all the elements that constitute the highest legal right to own, possess, use, control, enjoy and dispose of real estate which are recognized and protected by the law.

Title Insurance Policy - A contract of title insurance under which the insurer agrees to indemnify the insured against loss arising from claims against the insured's interest.