

## 10 NJ Real Estate Sale & Purchase Residential & Commercial

### New Jersey Real Estate Sale & Purchase

A home is usually the most expensive purchase a person will ever make. For many businesses, the right real estate is vital to their success. There are significant differences between buying and selling a home and buying or selling commercial real estate. We'll take a generalized look at each from its' unique perspective.

### Buying or Selling Residential Real Estate

Once you have found your dream home, the actual purchase process starts with a contract. The contract includes many details in addition to the price of the house. For example, the contract usually addresses whether any furnishings or appliances are included in the sale, the amount of the deposit and the timing of when the parties will close on the sale. Sellers typically sell the home "as is." Buyers routinely want some assurances that there are no problems. Even if a home is sold "as is," sellers have a legal obligation to disclose any flaws they are aware of (like that leaky roof) and the buyer is entitled to have a thorough inspection of the property.

New Jersey law provides a special feature not always found in other states that affords protection for both buyers and sellers. After the signing of a contract, there is a three day "attorney review period" during which both buyers and sellers can have the contract reviewed by an attorney. Based on feedback from the attorneys, either party can request changes to the contract. Additionally, either party can cancel the contract for any reason (or even no reason at all) during the three day review period. This period allows the parties to retain an attorney and protect their interests relating to the contract and to address issues that may not be included in the contract.

Contracts usually include a number of "contingencies" or conditions that must be met for the contract to be fulfilled. Typical contingencies include:

- ∞ Mortgage contingency: Most buyers need a mortgage to be able to purchase a home. The contract may be contingent on the Buyer obtaining a mortgage under acceptable terms.
- ∞ Inspection contingency: Buyers usually insist on a purchase being dependent on an inspection not disclosing any defects. A "licensed home inspector" does a thorough inspection of the property which may include mold testing, radon testing and a thorough inspection of the house. A report is furnished and reviewed by our firm and we then discuss the results with you. If a defect or other issues are found at the inspection, our firm protects your interests and addresses the issues with the Seller.
- ∞ Home Sale contingency: Buyers may have to sell an existing home before they have the money to buy a new home so they will often want to make the purchase contingent on the other property selling.

Our experienced and thorough firm will meticulously review the contract to protect your interests and be with you every step of the way.

### Buying or Selling Commercial Real Estate

Commercial Real Estate transactions are often more involved than Residential Real Estate transactions. Some of the differences between Commercial Real Estate and Residential Real Estate include:

- ∞ Appraising the value of Commercial Real Estate is more complicated. Different types of businesses prefer different types of locations. Part of the value of Commercial Real Estate can be the potential income streams from rentals or leases.
- ∞ Businesses may want to utilize their real estate for a wide variety of different purposes such as retail sales to heavy manufacturing usage. In purchasing Commercial Real Estate, it's important to make sure there are no title or land use issues that would prevent you from being able to use the real estate the way you want to use it. By retaining our office as your attorneys, as part of the due diligence process, we ascertain whether the land is zoned for your intended use.
- ∞ Potential legal liabilities. Many businesses may have potential zoning or environmental problems. If those issues exist, who will pay for them? What due diligence do you need to perform as part of the contract such as an environmental Phase I? These and other issues are closely examined by us and we devise a strategy with the client to address them.
- ∞ Similar to residential Real Estate transactions, typically Commercial transactions also have financing contingencies. We always ensure that the appropriate bulk sale notices are filed on behalf of our clients with the State of New Jersey.

Buying or selling real estate, whether residential or commercial, is a major investment, and both buyers and sellers are well advised to be represented by an experienced real estate attorney throughout the process. From start to finish, our firm does a comprehensive analysis of all areas of the transaction which could potentially impact our clients. Our firm is experienced and well equipped to give your matter the attention it needs so that your interests are protected.