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ELDER LAW NEWS UPDATE

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TO: Clients, Friends and Colleagues

**Check out www.eldercareatty.com.

- THE RESIDENTIAL REAL ESTATE TRANSACTION -

THE SELLER

1. If you are ready to sell your home, make sure you have your deed, survey, title insurance policy, certificate(s) of occupancy, survey and mortgage information. As counsel, we need these to prepare the contract of sale and assess whether any action needs to be taken prior to closing.
2. Interview a few real estate agents and determine the right fit for you. What is the fair market value? What marketing techniques will be utilized? What commission will be charged (4-6%)? What updates and repairs should be made to the home? You will sign the Commission Agreement and Property and Lead Disclosure statements.
3. Know your capital gains tax exposure; consult with your attorney or accountant. Each individual has a \$250,000 exemption under the right conditions, \$500,000 for married couples.
4. When a buyer is found, we consult & prepare a contract of sale, which will be signed by both parties.
5. Make arrangements to clear out your personal property and furnishings. You will need to leave the home vacant and broom clean. Closings generally take place 60 days from the contract date. The buyer will obtain financing by that time.
6. As counsel, we review the title inspection report ordered by the buyer's attorney. Mortgages, liens, judgments, real estate taxes and violations, if any, against the home will be disclosed to all parties and the lender. Removed by or at closing.
7. When the lender clears the file for closing, the parties set a closing date at the bank's attorney's office. Seller will bring a mortgage payoff letter and sign the deed of transfer to the buyer. The buyer will pay the purchase price at which time seller will release the keys.

THE BUYER

1. If you are ready to buy a home, confer with a lender and obtain a mortgage pre-approval letter for the amount you can afford, based upon your credit score, income and resources.
2. If you seek the services of a real estate agent, the agent will financially vet you before marketing available homes to you.
3. Retain counsel, so we may accept and review contracts quickly, especially in a competitive sales market.
4. Once the home is found, you will sign a binder agreement and lead disclosure statement with the realtor. The seller's attorney will then prepare the contract of sale for your attorney's review with you. The contracts will be signed by both parties.
5. A title inspection report of the property will be ordered by my office to advise all parties of outstanding liens, taxes or objections to title, prior to closing. A title insurance policy will issue.
6. You will **promptly** apply for a mortgage and provide the lender with income and resource verification, tax returns, authorize the production of a credit report and supply any other requested information. The mortgage packet will go through the lender's underwriting process for an approval. Generally, you will have 30-45 days to obtain a mortgage under the contract.
6. Once approved, the file will be reviewed by the lender's attorneys, and a closing date will be set at the convenience of all parties. As counsel, we will advise you about the checks you must bring to closing, in addition to available mortgage proceeds. The seller's and buyer's attorneys will agree to adjustments prior to closing to ensure a seamless transaction.