

Wendy Anderson, P.A.



Are You Buying A House?

From the desk of: Wendy Anderson | wra@wendyandersonpa.com

With homes prices declining and mortgage interest rates at very low levels, it is a buyer's market that aspiring home owners can take advantage of. The first time home buyer tax credit makes it even more attractive for first time home buyers to purchase a house at the present time. Buying a home is a very serious decision that involves many legal issues, especially now with so many houses involved in short sales, foreclosures and encumbered by mortgages in default. Home buyers should retain an attorney PRIOR to signing the contract to buy. Buying a residence is many times the biggest investment that a family makes; that investment should be protected by using the services of a real estate attorney during the buying process. An attorney has a legal and ethical obligation to look out for the client's interest. Often a lawyer can spot and prevent problems before they arise. Once the closing of a house occurs, it may be too late (or be much more expensive) to correct any errors, many of which can be quite costly to the buyer.

Some of the tasks that a real estate attorney will perform are as follows:

- Review the contract and ensure that all provisions and contingencies are in your best interest
- Inform you of your legal rights and obligations
- Obtain a title search, evaluate the status of the title and require appropriate legal remedies to clear any defects
- Advise you on what the title policy does not protect against, emphasizing marketability of the title when you sell
- Prepare or review the closing statement and other closing documents, and let you know about seller contingencies that affect your interests
- Interpret and counsel you about all legal documents related to the title and transaction, including deeds, mortgages and closing statements
- Advise you on how you should take the title to the home, and how this affects your overall business and personal estate
- Check for unrecorded municipal liens, including sewer and special assessment liens
- Prepare a bill of sale to cover any personal property such as curtains and appliances that you and the seller agree shall remain in the home
- Inform you about the income, estate, and gift tax consequences to your estate

A real estate attorney can also assist you with the following:

- Prepare the purchase contract
- Resolve any title or inspection issues
- Give you legal advice throughout the transaction

Hiring an attorney to represent you when buying a home can protect your investment and provide peace of mind so that you can receive the benefits of your investment and enjoy your new home.