Buying and Selling Real Estate

The attorneys at Bielagus Law Offices PLLC have been representing buyers and sellers of real estate in New Hampshire since 1972.

Bielagus Law Offices PLLC can assist you in preparing a Purchase and Sales Agreement, Deed, Promissory Note, or Mortgage Deed, and can advise you in all stages of a real estate purchase or sale.

When real estate is bought and sold, there are a number of steps to the transaction. On the seller's side, the process begins with the seller contacting a real estate broker. The seller and broker enter into an agreement. The agreement will specify whether or not the broker is the only broker, and what the broker's commission will be, among other terms. The broker (the listing agent) then lists the real estate, and advertises it, and contacts other brokers (selling agents), and possible buyers.

On the buyer's side, most buyers cannot afford to purchase real estate with cash, and therefore, the buyer's process usually begins by contacting a lender, to determine whether or not the buyer qualifies for a loan, and, if so, in what amount. Once the buyer knows the amount of the loan, the buyer can then look for real estate in that price range.

Once a buyer finds a property he or she wants to buy, and once the buyer and seller come to an agreement on the sale price, the buyer and seller enter into a Purchase and Sales Agreement. This agreement will specify who the buyers and sellers are, what real estate is to be bought and sold, the purchase price, and the deposit. The agreement will also set a number of deadlines, such as deadlines for a title search, property inspection, lender approval, and closing. With these deadlines, either "time is of the essence," or not. If time is of the essence, the deadlines are firm; if "time is of the essence" is not stated, then the deadlines are interpreted to be "on or about" the deadline (meaning a deadline can be missed by a number of days or possibly weeks without default).

The buyer then inspects the seller's title to the property, and the condition of any buildings on the property, and the buyer applies for a loan. The title search involves a search of records in the county registry of deeds, to determine whether or not the seller has good title to the property, and the encumbrances (mortgages, liens, etc), if any. The property inspection deals with the condition of the house or building on the land. For lender approval, the lender will be looking at whether or not the buyer qualifies for a loan,

and also whether or not the lender will accept the property as collateral for the loan. The lender will require an appraisal, to make sure the value of the property is more than the amount of the loan.

If there is an unsatisfactory title report or inspection report, or if the lender will not lend, and if the buyer notifies the seller within the allotted time, then the buyer can terminate the contract and recover the deposit. However, once the deadlines have passed, usually the deposit becomes non-refundable.

At the closing, the buyer and seller review and approve a settlement statement, which lists the sale price, amount of any loan, and the closing costs. The seller then provides the buyer with a deed for the real estate, and the buyer provides the seller with the funds. Additionally, any lenders with mortgages on the property are paid, and those mortgages are discharged. Once the buyer records the deed, the transaction is complete.

Please do not hesitate to contact us with any questions. We can be reached at:

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