

Timeline guide for purchasing

Here are the steps to take to find and close on your next property:

Speak with a mortgage broker, bank, or financial advisor

Typical time frame: 1 – 3 weeks

It is important to have an idea of how much you can spend on a property prior to beginning your search. Keep in mind that financial requirements vary from bank to bank. In today's mortgage market, it is strongly recommended that you get pre-approved for financing by a mortgage professional ASAP. Your mortgage professional will compare, analyze, and help you determine what best meets your needs. As you begin your search you can also start to provide your mortgage broker with required documentation, so you are ready to move quickly once you find a property to purchase.

Hire a real estate lawyer

Typical time frame: 1 – 3 weeks

Everyone has a cousin or friend that is a lawyer, but when deciding on which lawyer to use, we highly recommend using a lawyer that specializes in real estate in the area that the property is located, as they are truly the experts.

Finding a property

Typical time frame: 1 – 3 months

Depending on what you are looking for, it might take one day or one year to find a property. The average person sees 10 to 20 properties before deciding on the perfect one.

Negotiating on the property

Typical time frame: 1 day – 1 week

The timing of the negotiations will depend on the amount of your offer and whether there are multiple parties interested at the same time. It is important to specify all terms in the offer, including contingencies (inspection, financing, or if you need to sell first) inclusions (appliances, fixtures, and furniture) and closing timeframe.

Signing a contract

Typical time frame: 1-2 weeks

Generally, in a sales transaction, both the buyer and the seller are represented by a New York City real estate attorney. The seller's attorney draws up the contract for the buyer's attorney and upon receipt, the buyer's attorney performs due diligence. During this period, the buyers should also do their due diligence by hiring a professional to perform a home inspection. Once all terms are agreed to, the buyer signs the contract and returns it to the seller's attorney along with typically a 10% deposit. Once the deposit is received, the seller executes the contract. Possible contingencies may include financing, Board approval, and closing dates. A contract is binding only after both parties have signed it and value has been rendered (e.g. escrow monies).



Applying for a mortgage and receiving the Commitment Letter from your lender

Typical time frame: 3 – 6 weeks

Mortgage applications cannot be processed without a fully executed contract. Once the contract is signed, your mortgage professional will order an appraisal and begin working on securing a mortgage commitment letter.

Schedule a closing

Typical time frame: 1 week after receiving the clear to close

Once the lender issues the clear to close, the attorneys will schedule the closing by coordinating with all parties (the bank, title company, seller, and buyer).

The typical timeframe to close on a property when there is financing involved is around 60 days after getting a fully executed contract. When the property is being purchased with cash, the typical timeframe is around 30-45 days after getting a fully executed contract.