



Homeownership is part of the American dream. With the help of an attorney to guide you through the process, you can make the dream a reality.

Purchasing a home is one of the most important and expensive decisions of your life. Retaining an attorney to look after your best interests will help you avoid unexpected and costly pitfalls.

When choosing your benefit options, be sure to consider the group legal plan. When you enroll, a plan attorney's services for your real estate transaction are covered in full. You pay nothing beyond your monthly premium. For more information, visit www.legalplans.com or call Hyatt Legal Plans at 800-821-6400 from 8 a.m. – 7 p.m. Eastern Time Monday – Friday.

Group legal plans provided by Hyatt Legal Plans, Inc., Cleveland, Ohio. In certain states, group legal plans provided through insurance coverage underwritten by Metropolitan Property and Casualty Insurance Company and Affiliates, Warwick, RI.

Your New Home!

Learn how the Group Legal Plan can help you with one of the largest and most important financial transactions of your life.

Case Study

Mike and Mary saved for years to buy their dream home. At last, they thought they had found it. It had everything they wanted: a yard with room for a garden, plenty of bedrooms for their growing family and even a "hobby" room for their model railroad.

Unfortunately, the house also came with a number of things Mike and Mary did not want or expect. The roof needed \$3,000 in repairs, construction for a fast-food restaurant was planned in the open field across the street, and the former owners left a \$400 utility bill unpaid.

Sadly, thousands of families run into problems just like these every day. But you can avoid some of the pitfalls of purchasing a new home by following these simple guidelines:

- **Consult with a lawyer before signing the purchase agreement or sales contract.** Although a purchase agreement or sales contract may seem simple, you may give up valuable legal rights when you sign it. The fine print may include certain unfavorable financing arrangements that you may not fully understand without the assistance of an attorney. It may also hinder your ability to cancel the contract/agreement if the seller does not live up to his or her end of the bargain.
- **Insist on a mechanical and structural inspection by a professional.** The contract/agreement should specify that if the inspection shows a major flaw, the seller will fix it or the buyer will have the right to cancel the contract and receive a refund of the deposit. A good inspection should include the basement, plumbing, hot-water heater, electrical system, heating and cooling systems and foundation. Some states require a termite inspection. Even if your state does not, it is a good idea to insist on one.
- **Put in writing all essential information and promises made by the real estate agent.** Do not accept a real estate agent's oral assurance about anything, such as information on schools or a statement that there are no plans to locate a freeway in your neighborhood. If a statement is not in writing, it is more difficult to collect reimbursement for the losses caused by an agent's misleading remarks.
- **Have your lawyer check the zoning laws in your new area.** Do not assume that your neighborhood is zoned strictly for residential use. A lawyer familiar with local zoning laws can research the law and prevent you from making a costly or regrettable mistake.
- **Have a lawyer or professional firm perform a title search.** The deed is the legal document that officially transfers the property from the seller to you. But a deed may not tell the full story. There may be a legal dispute over the ownership, a property line or even a lien on the property. A title search and title insurance can guarantee that you will face no unpleasant surprises. A lawyer will advise.
- **Make sure the deed is completed correctly.** Even if you are contemplating a simple property transfer, you should consult an attorney about the wording of the deed. You will need to decide the type of ownership that is being transferred, which may affect your ability to sell the property at a later date. The deed can also determine what happens to the property in the event you or your spouse die.
- **List any repairs or alterations that the seller needs to make before the sale is final.** Attach this list to your contract/agreement. Before the final closing, make sure all repairs have been made to your satisfaction. Also, make sure that the contract specifies that the seller is responsible for any unpaid property taxes or utility bills.