

## **How to Evaluate a Foreclosed Property in South Jersey A Beginner Investor Checklist**

### **1) Understand the Type of Foreclosure**

- ☐ Pre-foreclosure (owner still holds title)
- ☐ Auction (court or sheriff sale)
- ☐ REO / bank-owned

Each comes with different timelines, risks, and access rules.

### **2) Confirm the Asking Price Makes Sense**

- ☐ Compare recent sales (ARV)
- ☐ Check price vs neighborhood averages
- ☐ Factor in holding time and resale demand

### **3) Estimate Repairs (Conservatively)**

- ☐ Roof, foundation, structure
- ☐ Electrical (older NJ homes can have outdated wiring)
- ☐ Plumbing, HVAC, windows
- ☐ Cosmetic vs structural repairs

Add a buffer when unsure.

### **4) Know the 4 Numbers That Matter**

- ☐ Purchase price
- ☐ Repair costs
- ☐ After Repair Value (ARV)
- ☐ Closing + holding costs

### **5) Watch for NJ-Specific Red Flags**

- ☐ Underground oil tanks
- ☐ Septic/well systems
- ☐ Municipal code violations
- ☐ Flood zones in certain areas

### **6) Choose Your Exit Strategy**

- ☐ Fix & flip
- ☐ Buy & hold rental
- ☐ Long-term appreciation

### **7) Know When to Bring in Local Help**

- ☐ Local agent familiar with foreclosures
- ☐ Contractor for quick repair estimate
- ☐ Title company (liens/ownership issues)

**Provided by Welcome Home Network LLC**

*A South Jersey-based real estate referral and investor connection resource*

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