

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- Electrical (older NJ homes can have outdated wiring)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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