NJ Attorney Review & Closing Cost Cheat Sheet

What the 3-day attorney review period actually does, and a realistic breakdown of what you'll pay at the closing table. 2026 edition.

1. The attorney review period, explained

In New Jersey, once a buyer and seller sign a contract, both sides' attorneys get a 3-business-day attorney review period (weekends and holidays don't count). During this window, either attorney can cancel the contract entirely or send changes in writing — and if changes are sent before the period ends, the clock effectively resets around that negotiation until both sides sign off.

- **It starts** the day after both parties have signed and attorney names/addresses are on the contract.
- **Either attorney can walk away** for any reason during this window, with no penalty to either side.
- **Common uses:** adjusting the home inspection contingency deadline, mortgage contingency terms, or flagging attorney concerns about the property or title.
- **Don't skip legal review.** Some buyers are tempted to waive attorney review to move faster in a competitive offer — that's rarely worth the risk on a purchase this size.

2. Buyer closing costs — typical ranges

As a rule of thumb, NJ buyers should budget **2%–3% of the purchase price** for closing costs, on top of the down payment.

Item	Typical Cost	Notes
Loan origination & lender fees	0.5%–1%	Underwriting, processing, points if buying down the rate
Attorney fees	$1,500–$2,500	Represents you through attorney review and closing
Title insurance & search	$1,000–$2,500	One-time premium; protects against title defects
Home inspection	$400–$700	Paid up front, before attorney review ends
Appraisal	$500–$700	Required by your lender
NJ recording fees	$150–$300	Municipal/county filing of the deed and mortgage

Prepaid property taxes & escrow	Varies	Municipality-dependent; can be significant in NJ
Homeowner's insurance (1st year)	$1,000–$2,000	Often required to be paid at closing

3. Seller closing costs — typical ranges

NJ sellers typically net out **6%–9% of the sale price** in costs, driven mostly by commission and the state's transfer tax.

Item	Typical Cost	Notes
Real estate commission	5%–6%	Split between listing and buyer's agent brokerages
NJ Realty Transfer Fee	~0.4%–1%+	State tax on the sale; rate rises with sale price
Attorney fees	$1,500–$2,500	Represents you through attorney review and closing
Title work / deed prep	$300–$700	Confirms you can legally convey clear title
Outstanding mortgage payoff	Varies	Includes any prepayment penalties, if applicable
Municipal certificate / inspections	$100–$300	Some NJ towns require a smoke detector or CO certificate

4. A note on the NJ Exit Tax

New Jersey doesn't have a true "exit tax" — but the state does require sellers who are moving out of state to prepay estimated state income tax on the sale at closing (typically the higher of 2% of the sale price or 8.97% of the estimated gain). This is a prepayment, not an extra tax: it's reconciled on your NJ tax return the following year, and overpayments are refunded. Talk to your accountant about your specific situation.

Want a second set of eyes on your specific numbers? I'll match you with a proven local agent who can walk through your exact closing cost estimate — at no cost to you. Call or email **(848) 216-8484** / **John.T.Grossi@gmail.com**.

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