Home Seller's Guide

LAW OFFICES OF CRAIG DELSACK, LLC

www.NYCCounsel.com

Things to keep in mind:

- **Find an experienced broker** with whom you are comfortable.
- **Prepare your home** for showings. Keep the buyer's perspective in mind.
- **Hire an attorney** familiar with the intricacies of NYC real estate transactions to make sure the brokerage agreement and the contract of sale protect your rights.

Inside:

Using a Broker 1

Perception Is Reality— Preparing Your Home For Showings 1

Guideline Estimate of Seller's Closing Costs 2

Using a Broker

Find a broker with whom you are comfortable. A broker can: (1) research comparable sales in your neighborhood and has an accurate understanding of the current market (newspaper "asking prices" may be misleading); (2) provide you with a realistic selling time frame, set up a sales promotion plan, advertise the property for you, and adjust the marketing strategy if needed; and (3) recommend any possible improvements to your home to enhance marketability. Generally, brokers have access to the sales efforts of other brokers—your broker has a vested interest in selling your home, he or she will utilize all outlets available to close your deal expeditiously. Keep in mind the following can influence your home's exposure, among other things: the commission rate, permitting your listing broker to "co-broke" with other brokers, and use of technology (use of real-time market conditions, placing a "virtual tour" of your home on the internet, etc.). You should have your attorney review the brokerage agreement prior to your signing to make sure it protects your interests.

Generally, it is not a good idea for the owner to be present when a prospective buyer is viewing the apartment. Buyers do not ask the candid questions they need answered in the presence of the owner nor do they examine the property as thoroughly as they'd like to, for fear of disturbing the owner. Find a broker that has the sales experience to sense which qualities of the property to highlight and which to minimize. Also, a broker will be able to sell your home without emotional involvement. A broker qualifies prospective buyers (including conducting credit checks), so that you will have a purchaser who will qualify for a mortgage and pass the board, if applicable. Lastly, if you do receive multiple offers, the broker can help you evaluate which offer is the best (sometimes, it is not the *highest offer* but the *most qualified buyer* to whom you will sell).

If the prospective buyer needs financing, the real estate broker can recommend a mortgage banker, broker or a choice of banks that offer co-op or condo loans on your building. They can also recommend real estate attorneys and coordinate access to the property by appraisers and engineers. In addition, they facilitate expediting the board approval process and help find the answers to questions or concerns raised by the seller and buyer.

Perception Is Reality—Preparing Your Home For Showings

In most cases, you have one shot at impressing potential buyers. Don't take it personally - separate yourself from the personal feelings you have about the home (it's not your home now, it's a commodity you intend to market). If you were a home buyer, what would you think about the home? Take a close look at the condition of your home and prepare your home for showings. You may be rewarded with a faster sale at a higher price.

Start with the basics - Everything from floors to windows must be spotless (including your appliances). Have the home professionally cleaned. Offensive odors are a BIG turn-off – eliminate bad-odor sources. *Eliminate the clutter* - hide small kitchen appliances and other items that are sitting on countertops and tables; remove photographs from table-tops and organize the closets. Pack up the bulk of large, personal collections. *Make it more spacious* - remove excess furniture to make rooms more spacious. Consider storing boxes and unnecessary furniture in a temporary off-site mini-storage space. *Expose Desirable Features* - remove rugs if they expose nice hardwood floors; remove heavy drapes that keep out natural light. Repair and repaint - apply a fresh coat of neutral colored paint; replace broken lighting, bath and kitchen fixtures; use bright bulbs; fix all squeaks and leaks; patch walls; and make sure all doors operate smoothly. *Create an Atmosphere* - On days of showings: turn on all the lights, and fill the home with a pleasing smell by placing fresh-cut fragrant flowers on a table or by simmering a small pot of water with vanilla extract.

LAW OFFICES OF CRAIG DELSACK, LLC

600 Madison Avenue, 22nd Floor
New York, NY 10022-1615
Tel 212-688-8944
Fax 212-753-4530
SellerInfo@NYCCounsel.com
www.NYCCounsel.com

Guideline Estimate of Seller's Closing Costs for a Manhattan Home

Cooperative Apartments:

- Lawyer's charges – varies by the complexity of the transaction
- Brokers' commission – Generally, 6% of sales price
- Satisfaction of Mortgage, if any (payoff bank attorney charges plus filing costs—approx. $500).
- Flip Tax (if applicable) – varies by building, generally based on the number of shares or sales price
- Move-out deposit - $500-$1,000 (varies by building – usually refundable)
- Transfer Fee or Co-op attorney fee - $450 (varies by building)
- New York City Transfer tax – 1% up to $500,000; 1.425% over $500,000 (plus $25 filing fee)
- New York State Transfer tax - $2 per $500 of sales price
- Transfer Tax forms preparation and filing costs - approx. $100
- UCC-3 Filing Fee - $20
- Proration of maintenance, utilities, dues, etc.

Condominiums/Townhouses:

- Lawyer's charges – varies by the complexity of the transaction
- Brokers' commission – Generally, 6% of sales price
- Satisfaction of Mortgage, if any (payoff bank attorney charges plus filing costs—approx. $500).
- Move-out deposit (condo) - $500-$1,000 (varies by building – usually refundable)
- Managing Agent Fee (condo): $450 (varies by building)
- New York City Transfer tax – 1% up to $500,000; 1.425% over $500,000 (plus $25 filing fee)
- New York State Transfer tax - $2 per $500 of sales price
- Misc. Title Company Costs: approx. $250
- Proration of common charges, taxes, utilities, fuel (townhouse), dues, etc.

Call us to discuss your matter with an attorney. There is no cost or obligation for an initial telephone consultation.

Craig Delsack, Esq., is the principal attorney of Law Offices of Craig Delsack, LLC. The firm is experienced in the intricacies of purchases, sales and financings of commercial and residential properties, condos and coops; leasing and subleasing of commercial, garage, office and retail space; and formation of special purpose entities for real estate investing and financing (such as corporations and limited liability companies). Craig is also a real estate mentor-expert volunteer for The Association of the Bar of the City of New York's "September 11th Legal Initiative" assisting attorneys representing clients needing real estate advise in connection with the aftermath of 9/11. The firm is a transaction and business oriented law firm and brings extensive business and legal experience to bear on behalf of its clients. The firm is highly computerized and leverages that technology for cost-effective representation of its clients. The firm also handles general corporate, software, technology and licensing related matters. The firm works with a broad range of individuals and business entities, including general counsels, Fortune 500 companies and start-ups.

The information contained herein is provided for informational purposes only, should not be construed as legal advice on any subject matter, and its availability to you does not establish an attorney-client relationship. Cost estimates are for guideline purposes only. No recipients of the content herein should act or refrain from acting on the basis of any content included herein without seeking the appropriate legal or other professional advice on the particular facts and circumstances at issue from an attorney licensed in the recipient's state.

©2007 Law Offices of Craig Delsack, LLC. All Rights Reserved.