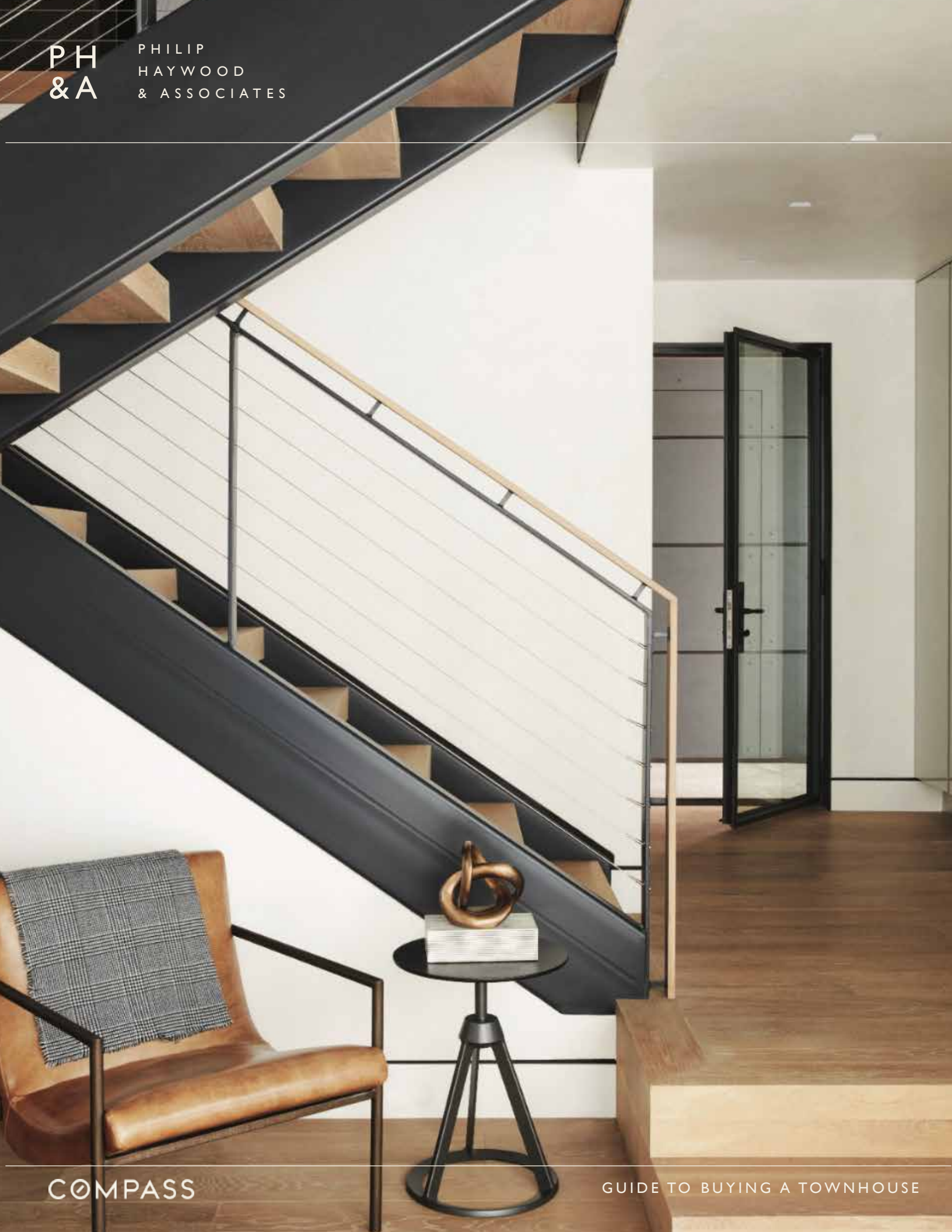


PH
&A

PHILIP
HAYWOOD
& ASSOCIATES



KEY TERMS

APPRAISAL

Assessment of the property's market value, typically done for the purpose of obtaining a mortgage.

COMMON CHARGES

Monthly maintenance fee paid by condo owners. Property taxes are not included in the common charges.

MAINTENANCE FEE

Fees paid by co-op shareholders that contribute to building operations and real estate taxes.

CONTRACT DEPOSIT

A percentage of the agreed-upon purchase price paid by the buyer at the time of signing the contract. Typically 10% of the purchase price.

CO-OP SHAREHOLDER

Owner of a co-op unit, since what they are actually purchasing are shares of stock in the co-op corporation.

DEBT-TO-INCOME RATIO

The percentage of an individual's monthly gross income relative to the amount of debt owed.

FINANCIAL STATEMENT

A formal record of all your financial assets, debts, and liabilities.

FLIP TAX

A tax levied by a co-op and paid by the seller or buyer when a sale is made. They are designed to generate funds for the co-op's cash reserve.

LIEN SEARCH

A background check on the property and the seller to ensure there are no outstanding debts or claims upon the property.

POST-CLOSING LIQUIDITY

The amount of cash the buyer must have on hand after deducting the down-payment and closing costs.

PRE-APPROVED

Advanced approval from a bank or other lending institution for a home mortgage.

PRE-QUALIFIED

Potential buyers provide an overall financial picture and mortgage brokers provide an estimate of what level of loan you will likely be pre-approved for.

RECORDING FEE

A fee paid to the local government to officially report a sale of a home; usually paid by the buyer.

TAX ABATEMENT

Newly constructed buildings sometimes receive abatements so that owners do not have to pay a tax or pay a lower tax on their units for a specified amount of time.

SPONSOR

The entity responsible for developing a new building or converting an existing rental building to a condo or co-op.

Time to Close from Signing Contract**2 Weeks if Cash****30 Days if Financing**

- 01 CASH OR LOAN PRE-APPROVAL**
Before beginning your search, decide whether you will be paying in cash for the property or getting pre-approved for a mortgage. Philip can connect you with a mortgage professional who can assess your income and credit history and determine your purchasing power and borrowing rate.
- 02 DETERMINE PARAMETERS**
Identify your needs and wants for the purchase, including any deal breakers, and share these with Philip.
- 03 PROPERTY VIEWINGS**
Attend private viewings and open houses to evaluate properties that fit your criteria.
- 04 MAKE AN OFFER AND NEGOTIATE**
Once you find a suitable property, Philip will guide you in negotiating a price and terms with the seller. You will need to provide a pre-approval letter or proof of funds, along with a standard financial form.
- 05 INSPECTION**
Philip will arrange for a property inspector to evaluate the condition of your property's structure, systems, and components, such as the roof, foundation, electrical, plumbing, heating, and cooling. The inspection will identify any damage, wear and tear, safety concerns, or code violations. This process provides valuable insights for the seller and enables Philip to effectively manage the negotiations.



- 06 REVIEW AND SIGN THE CONTRACT**
After an offer is accepted, work with an attorney specializing in NYC sales to review the contract of sale. Sign the contract and provide a 10% deposit to take the property off the market.
- 07 LOAN APPLICATION**
If financing, the bank will finalize the loan application and arrange for a property appraisal.
- 08 BANK APPROVAL AND CLOSING DATE**
Upon approval from the bank your attorney will work to set a closing date.

- 09 FINAL WALKTHROUGH**
Visit the property with Philip to ensure everything is as agreed upon in the contract.
- 10 CLOSING**
Attend the closing with representatives from the bank, title representative, and both buyer and seller's attorney. Keys will be handed over after checks and documents are exchanged. The property is now yours.

THE PROPERTY IS NOW YOURS. ■



TOWNHOUSES & MULTI FAMILY HOMES

CLOSING COSTS ESTIMATES - Buyer

	FEE	ESTIMATED COST
Attorney	Your Attorney	Consult your attorney ~\$2,500 - \$5,000+
Bank	Points	~0 - 3% of the loan value
	Bank Loan Application Fees	\$400 - \$600
	Bank Attorney	\$900 - \$1,500
	Appraisal	~\$300 - \$1,500
	Tax Escrow	~2 - 6 months of property taxes
	Lenders Policy Title Insurance	Rates may vary
	Mortgage Origination Fee	~0 - 3% of loan amount
	Mortgage Recording Tax	1.8% of mortgage amount < \$500,000 1.925% of mortgage amount > \$500,000+
	Government	Recording Fees
Municipal Search		\$500 - \$1,500 (refundable)
Miscellaneous Title Fees		Pro-rated during the month of closing
Real Estate Tax Adjustment		\$300 - \$500 per buyer
Mansion Tax		\$1M to < \$2M: 1.00% \$2M to < \$3M: 1.25% \$3M to < \$5M: 1.50% \$5M to < \$10M: 2.25% \$10M to < \$15M: 3.25% \$15M to < \$20M: 3.50% \$20M to < \$25M: 3.75% \$25M or more: 3.90%

*NYC & NYS Transfer Taxes are paid by the purchaser in case of a new development

*varies depending on lead product/program selected **varies based upon size of loan and lender



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