



# Seller's Guide **New York City**



# From Launch to Close **Let Elliman Guide the Way**

It takes expertise to successfully navigate one of the world's most exciting and competitive real estate markets. Backed by more than a century of institutional knowledge, our top-performing agents are here to listen to your needs, understand your vision and personally guide you through every step of your sales journey. With our reach, resources and reputation as NYC's #1 brokerage by sales volume, Douglas Elliman works tirelessly to be your trusted partner in one of the most important financial decisions you will make.



# **Step One**

## Partner with a Professional



## The Elliman Advantage

As the #1 residential brokerage by sales volume in Manhattan, Douglas Elliman dominates the market. And with a network of 7,000 agents in 120 offices across the country, each Elliman agent has unrivaled scale, marketing resources and media reach to connect your property with buyers from around the world.

## The Agent **Advantage**

Your home is among your most precious personal assets. Deciding to sell it is the first step in a journey that is best undertaken with the guidance of a trusted real estate advisor. A licensed agent has the knowledge, experience and professional network to package, promote and put your property in front of highly qualified buyers.

## What to Ask Your Agent

Clearly communicate your expectations to your agent and ask questions to ensure you are on the same page.

### **What is your communication style?**

Let your agent know how you would like to communicate throughout the sales process, including how frequently you will receive updates and whether you prefer phone calls, emails or print reports.

### **How do you advocate for your clients?**

Look for an agent who is a skilled negotiator and who pushes for the best terms and conditions for you. Feel empowered to ask for examples of success stories or client testimonials.

### **What is your marketing plan?**

Ask what strategies your agent will use (e.g., advertising, social media, open houses) to promote your property to the right audience.



# Signing a Listing Agreement with an Agent

It is common practice to sign an exclusive right-to-sell listing agreement that ensures only one agent or team has access to your listing. Consider them the gatekeeper to your home. Their job is to represent you in the sale while working with the brokerage community to find you the right buyer. Standard contracts run for a minimum of six months and typically highlight what access your agent will have and how much their services will cost. If your home hasn't sold by the end of the exclusivity agreement, work with your agent to determine a new sales and marketing strategy, which may include adjusting the price.

## Key Terms of Your Partnership

### Closing Costs

Taxes and fees that sellers must pay upon signing a mortgage and taking possession of a property. See pp. 31-35 for a complete breakdown of costs.

### Commission

In exchange for the brokerage's services, sellers pay a percentage of the property's sales price at the closing table.

### Exclusivity

An exclusive right-to-sell listing agreement specifies that the selected agent now has the sole right to list, market and sell your property for the duration of the agreement, even if you find a buyer yourself.

### Marketing

The marketing plan typically highlights what marketing strategies (staging, advertising, etc.) will be implemented.

### Timing

If your home hasn't sold by the end of the exclusive right-to-sell listing agreement, work with your agent to determine a new sales and marketing strategy, which may include a potential price drop.



## **Step Two** Price Your Property

# The Numbers Game

A well-priced home is the difference between a savvy sale and a costly setback. It is the fastest route to inspiring competitive offers, the best terms and the highest price. Your real estate agent will conduct a Comparative Market Analysis (CMA)—an evaluation of comparable properties—to determine a realistic price for your home.

## Our Advice

### Survey the Neighborhood

Prime locations are often priced higher than developing ones. Your real estate agent will evaluate comparable homes that have recently sold to make sure that yours is priced correctly.

### Determine Accessibility

Proximity to transport options, restaurants and parks can make your property more desirable and will usually increase its value.

### Note the Condition

Upgrades and high-quality updates often raise your property's sales price.

### Study the Size

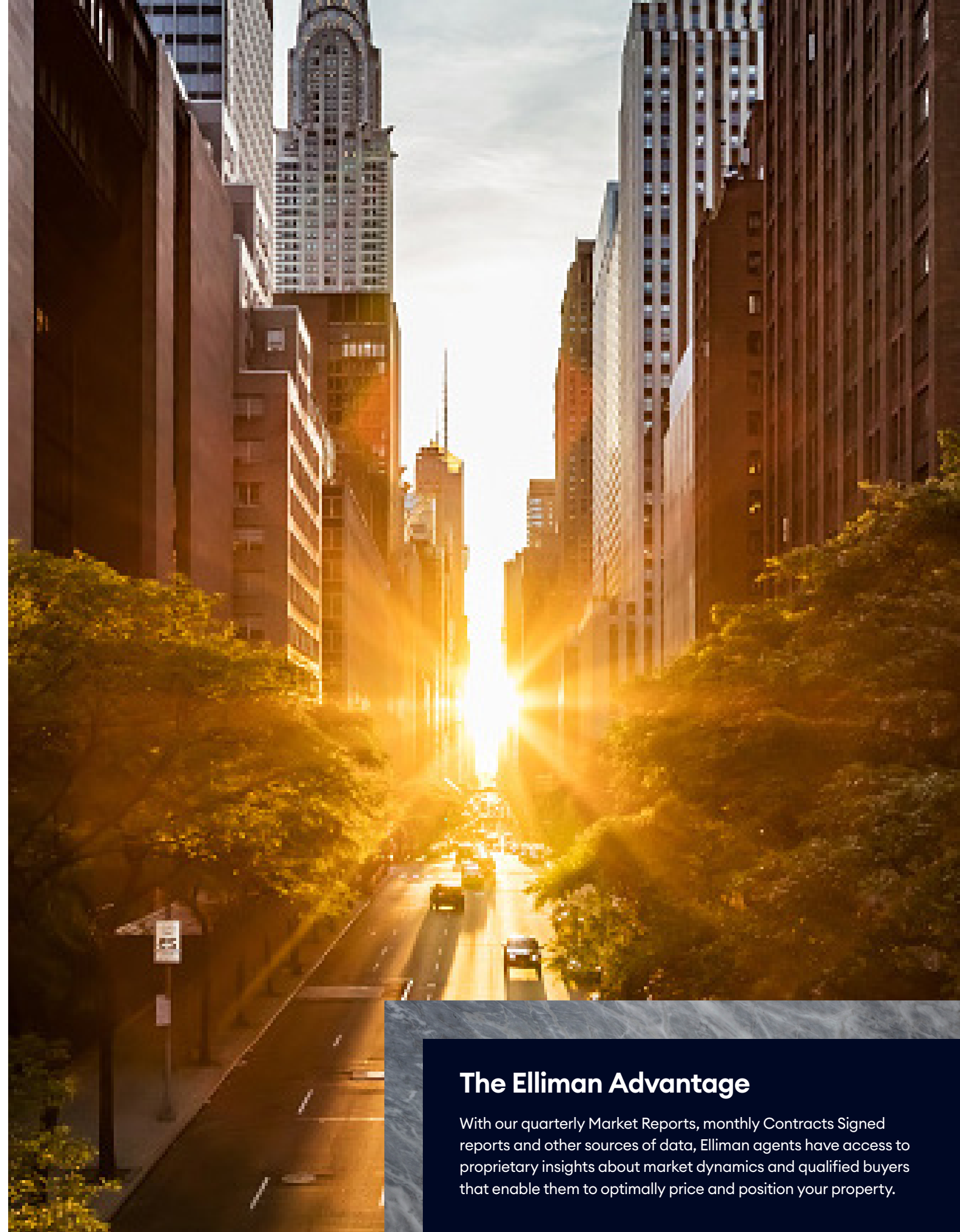
Square footage, layout and the number of bedrooms and bathrooms are important factors in determining a competitive sales price.

### Assess the Market

Consider the state of the market when deciding whether it is a good time to sell. Analyze the sales of similar homes in your neighborhood over the past six months, and look specifically at days on market and list-to-sale price ratios.

### Online Home Valuations

Online tools, such as Zestimates, often base your home's worth on zip codes rather than comparable data. Your real estate agent will advise on the most accurate home price based on a combination of comparable properties and the above factors.



## The Elliman Advantage

With our quarterly Market Reports, monthly Contracts Signed reports and other sources of data, Elliman agents have access to proprietary insights about market dynamics and qualified buyers that enable them to optimally price and position your property.



## **Step Three** Prepare Your Property



## The Elliman Advantage

Our agents can tap a network of photographers, videographers, virtual tour, staging and other vendors to assess your space and ensure your property is ready for the spotlight.



## Stage Right

In the world of real estate, looks sell. Embark on a mission to pack up, pare down and create an alluring, well-organized space that enables buyers to envision themselves in every room. A nominal investment in cosmetic improvements and mechanical repairs often results in an increased selling price and reduced time on market.

## Our Advice

### Scale Back & Organize

Eliminate clutter from every room. Designate bags for donation, trash and storage, and pack up personal items.

### Deep Clean

Tidy your home from top to bottom and corner to corner. Prying eyes will always find the crumbs and the cobwebs.

### Wash Windows

Clean glass, dust blinds and remove screens to maximize light and views.

### Paint Walls & Cabinets

Light-toned grays or beiges are neutral, soft and inviting.

### Upgrade Lighting

A well-lit room expands and brightens up a space. New outlet covers and light switches are the ultimate finishing touch.

### Update Appliances

Make the kitchen look modern and new.

### Refinish Wood Floors

Carpets and rugs should be professionally cleaned.

### Organize Closets

If your closets appear to be bursting at the seams, potential buyers might assume they are too small.



## **Step Four** Putting Your Property on the Market

# Launching Your Listing

When it's time for your property to go on the market, it's important that you prepare yourself for a range of possible pathways to get to a signed contract. Whether your listing instantly receives multiple competitive bids or takes time to get traction after multiple showings, a trusted agent can be a powerful ally and source of guidance at critical moments of the sales process.

## Promoting Your Property

In addition to ensuring your listing appears in publications and on websites where buyers are searching, your agent can employ a number of tactics to help your property stand out, from creative marketing on social media to leveraging a network of professional contacts to reach qualified buyers. Your agent will market your listing to the entire NYC brokerage community of more than 10,000 agents, including many that work exclusively with buyers.

## Evaluating Bids

Once interested buyers submit their bids and demonstrate they are financially qualified to purchase your property, your agent will help you judge which are worth considering, countering or rejecting altogether. Remember: a higher bid isn't necessarily the best one.

## The Art of Negotiation

Even when you agree on an offering price for your property, you may have to negotiate on a number of other points before getting to a signed contract, from repairs, furnishings and fixtures to responsibility for fees and taxes at closing.

### The Elliman Advantage

With our commanding online presence, including 800,000 monthly visitors to Elliman.com and listing syndication across the top real estate websites, Douglas Elliman agents can tap a powerful distribution engine to amplify their own networks and ensure your listing gets the exposure it deserves. Their experience, market knowledge and access to actionable data empowers them to help you make informed decisions throughout the bidding and negotiation process.



## **Step Five** From Contract to Close

# Sign Here

Once you accept an offer, the next step is to sign a contract. Your agent and attorney will serve as your points of contact throughout the selling journey and will work on your behalf to ensure that your best interests are represented.

## 1

### Prepare for the Home Inspection

#### What to Expect

When purchasing a townhome or some co-ops and condos, an inspection is sometimes ordered by a buyer to identify any repairs that would require a major investment of time or money.

#### Key Player

Home inspector

## 2

### Negotiate Repairs

#### What to Expect

If there is an inspection contingency in your buyer's offer, the buyer may try to negotiate repairs prior to signing the contract.

#### Key Players

Seller's attorney and agent, buyer's attorney & agent

## 3

### Sign the Contract

#### What to Expect

Once the price, terms and closing date have been agreed upon, both you and your buyer will sign a purchase agreement. Your buyer will typically present a deposit of 10% of the sales price, which will be held in your attorney's escrow account until the closing date.

#### Key Players

Seller's attorney, buyer's attorney

## 4

### Prepare for the Appraisal

#### What to Expect

An appraisal is ordered by a buyer's lender to determine the amount the lender will provide for the purchase.

#### Key Players

Buyer's lender, home appraiser

## 5

### Prepare for Approvals

#### What to Expect

If you are selling a co-op or a condo, introduce your real estate agent to the management company (or the managing agent acting on its behalf), as well as a point person on the Board of Directors so your agent can streamline board approvals on your behalf. When purchasing a co-op, a board package will need to be prepared and submitted. Your agent will liaise between the buyer, the seller and the building's managing agent at every step in the approval process.

#### Key Players

Seller's attorney and agent, buyer's attorney & agent, co-op board (if applicable) and management company

## 6

### Close the Sale

#### What to Expect

On closing day, be prepared to officially transfer your property to your buyer, pay all closing costs and receive any sales proceeds. At closing, you will turn over the keys to the buyer's new home and move onto yours. Congratulations!

#### Key Players

Seller's attorney and agent, buyer's attorney & agent, buyer's mortgage lender



# Appendix

# Closing Costs

## Typical Estimated Closing Costs: Condominium Apartments

### For the Seller

|   |   |
|---|---|
| <b>Agent</b>                              | 6%  |
| <b>Seller's Attorney</b>                  | Consult your attorney                           |
| <b>Processing Fee</b>                     | \$600+  |
| <b>Miscellaneous Condo Charges</b>        | Varies by building                              |
| <b>UCC-3 Filing Fee</b>                   | \$20 - \$40 in all counties except Nassau       |
| <b>UCC-3 Filing Fee (Nassau)</b>          | \$340 (\$40 to file + \$300 per block)          |
| <b>Sponsor's Attorney Fee</b>             | \$1,500 and up (new development only)           |
| <b>Working Capital Fund Contribution</b>  | An amount equal to 1-2 months common charges    |
| <b>Pick-Up/Payoff Fee to Title Closer</b> | \$200-\$500, consult your attorney              |
| <b>Flip Tax</b>                           | Varies building to building, consult your agent |

### Transfer Tax

| Property Type  | NYC RPT | NY State Transfer Tax <sup>1</sup>   |
|--|---------|--------------------------------------|
| <b>Single Residence Condo Unit \$499,999.99 and below</b>                  | 1%      | \$2 per \$500 of conveyance price    |
| <b>Residential Units \$500,000 and up</b>                                  | 1.425%  | \$2 per \$500 of conveyance price    |
| <b>Residential Units \$3,000,000 and up (NYC Only)</b>                     | 1.425%  | \$3.25 per \$500 of conveyance price |
| <b>Commercial Properties and Vacant Land under \$500,000.00</b>            | 1.425%  | \$2 per \$500 of conveyance price    |
| <b>Commercial Properties and Vacant Land \$500,000 and up</b>              | 2.625%  | \$2 per \$500 of conveyance price    |
| <b>Commercial Properties and Vacant Land \$2,000,000 and up (NYC Only)</b> | 2.625%  | \$3.25 per \$500 of conveyance price |

### Additional Expenses

|                               |  |
|-------------------------------|--|
| <b>Maintenance Adjustment</b> | Prorates for the month closing                             |
| <b>Short-term interest</b>    | Equal interest for the balance of month in which you close |

# Closing Costs

## Typical Estimated Closing Costs: Co-Operative Apartments

### For the Seller

|                                     |   |
|-------------------------------------|---|
| <b>Agent</b>                        | 6%  |
| <b>Own Attorney</b>                 | Consult your attorney                     |
| <b>RP5217 Filing Fee</b>            | \$100                                     |
| <b>Miscellaneous Co-op Fees</b>     | Varies by building                        |
| <b>UCC-3 Filing Fee</b>             | \$20 - \$40 in all counties except Nassau |
| <b>UCC-3 Filing Fee (Nassau)</b>    | \$340 (\$40 to file + \$300 per block)    |
| <b>Pick-Up/Payoff Fee</b>           | \$250-\$700                               |
| <b>NYS Transfer Tax Form Filing</b> | \$5                                       |

### Transfer Tax

| Property Type                 | Unit Price                    | NYC RPT | NY State Transfer Tax <sup>1</sup>   |
|-------------------------------|-------------------------------|---------|--------------------------------------|
| <b>Residential Co-op Unit</b> | up to \$499,999.99            | 1%      | \$2 per \$500 of conveyance price    |
|                               | \$500,000 and up              | 1.425%  | \$2 per \$500 of conveyance price    |
|                               | \$3,000,000 and up (NYC Only) | 1.425%  | \$3.25 per \$500 of conveyance price |
| <b>Commercial Co-op Unit</b>  | \$500,000.00 and under        | 1.425%  | \$2 per \$500 of conveyance price    |
|                               | \$500,000.01 and up           | 2.625%  | \$2 per \$500 of conveyance price    |
|                               | \$2,000,000 and up (NYC Only) | 2.625%  | \$3.25 per \$500 of conveyance price |

### Additional Expenses

|                                    |                            |                               |  |
|------------------------------------|----------------------------|-------------------------------|--|
| <b>Miscellaneous Co-op Charges</b> | Varies by building         | <b>Maintenance Adjustment</b> | Prorates for the month closing                             |
| <b>Recognition Agreement Fee</b>   | Approx. \$250              | <b>Short-term interest</b>    | Equal interest for the balance of month in which you close |
| <b>Flip Tax</b>                    | Please check with building |                               |  |

<sup>1</sup> Transfer taxes paid by seller, except in the case of sponsor sales, in which case the transfer tax is paid by the purchaser at a higher rate. City of Yonkers has an additional 1.5% transfer tax over \$25,000. City of Mount Vernon has an additional 1% transfer tax with \$100,000 exemption. This closing-cost guide is designed to give you the general costs associated with the purchase or sale of a condominium property. Please note that these are estimates and that potential buyers and sellers should consult their real estate attorney or financial advisor for specifics. Kindly note, we do not represent that these are the entirety of potential costs but are only to be used as a guide. All transfer taxes and filing fees are subject to change by government agencies in each location.

<sup>1</sup> Transfer taxes paid by seller, except in the case of sponsor sales, in which case the transfer tax is paid by the purchaser at a higher rate. City of Yonkers has an additional 1.5% transfer tax over \$25,000. City of Mount Vernon has an additional 1% transfer tax with \$100,000 exemption. This closing-cost guide is designed to give you the general costs associated with the purchase or sale of a co-operative property. Please note that these are estimates and that potential buyers and sellers should consult their real estate attorney or financial advisor for specifics. Kindly note, we do not represent that these are the entirety of potential costs but are only to be used as a guide. All transfer taxes and filing fees are subject to change by government agencies in each location.

# Closing Costs

# New York State Transfer/Tax

## Typical Estimated Closing Costs: Townhouse And Single Family Homes

### For the Seller

|   |                                    |
|---|------------------------------------|
| <b>Agent</b>                              | 6%                                 |
| <b>Own Attorney</b>                       | Consult your attorney              |
| <b>Pick-Up/Payoff Fee to Title Closer</b> | \$200-\$500, consult your attorney |

### Transfer Tax

| Property Type                 | Unit Price                    | NYC RPT | NY State Transfer Tax <sup>1</sup>   |
|-------------------------------|-------------------------------|---------|--------------------------------------|
| <b>Residential Co-op Unit</b> | up to \$499,999.99            | 1%      | \$2 per \$500 of conveyance price    |
|                               | \$500,000 and up              | 1.425%  | \$2 per \$500 of conveyance price    |
|                               | \$3,000,000 and up (NYC Only) | 1.425%  | \$3.25 per \$500 of conveyance price |
| <b>Commercial Co-op Unit</b>  | \$500,000.00 and under        | 1.425%  | \$2 per \$500 of conveyance price    |
|                               | \$500,000.01 and up           | 2.625%  | \$2 per \$500 of conveyance price    |
|                               | \$2,000,000 and up (NYC Only) | 2.625%  | \$3.25 per \$500 of conveyance price |

### Residential

| Property Type  | NYC RPT                        | NY State Transfer Tax <sup>1</sup>                                    | Mansion Tax Paid by Purchaser                          |
|--|--------------------------------|---|--|
| 1-2-3 Family Residential, Co-op or Condo Unit \$500,000 and under              | 1%                             | \$2 per \$500 of conveyance price                                     | -  |
| 1-2-3 Family Residential, Co-op or Condo Unit \$500,000.01-\$999,999.99        | 1.425%                         | \$2 per \$500 of conveyance price                                     | -  |
| 1-2-3 Family Residential, Co-op or Condo Unit at \$1,000,000 and up            | 1.425%                         | \$2 per \$500 of conveyance price                                     | 1% of purchase price for properties \$1 million and up |
| 1-2-3 Family Residential, Co-op or Condo Unit at \$3,000,000 and up (NYC Only) | 1.425%                         | \$3.25 per \$500 of conveyance price (Varies based on purchase price) | -  |
| <b>PAYMENT DUE DATE</b>  | 30 Days after date of transfer | 15 Days after date of transfer  | 15 Days after date of transfer                         |

### Commercial

| Property Type   | NYC RPT                        | NY State Transfer Tax <sup>1</sup>   |
|---|--------------------------------|--------------------------------------|
| Commercial Properties and Vacant Land under \$500,000               | 1.425%                         | \$2 per \$500 of conveyance price    |
| Commercial Properties and Vacant Land at \$500,000                  | 1.425%                         | \$2 per \$500 of conveyance price    |
| Commercial Properties and Vacant Land \$500,000.01 and up           | 2.625%                         | \$2 per \$500 of conveyance price    |
| Commercial Properties and Vacant Land \$2,000,000 and up (NYC Only) | 2.625%                         | \$3.25 per \$500 of conveyance price |
| <b>PAYMENT DUE DATE</b>   | 15 Days after date of transfer | 15 Days after date of transfer       |

<sup>1</sup> Transfer taxes paid by seller, except in the case of sponsor sales, in which case the transfer tax is paid by the purchaser at a higher rate. City of Yonkers has an additional 1.5% transfer tax over \$25,000. City of Mount Vernon has an additional 1% transfer tax with \$100,000 exemption. This closing-cost guide is designed to give you the general costs associated with the purchase or sale of a townhouse property. Please note that these are estimates and that potential buyers and sellers should consult their real estate attorney or financial advisor for specifics. Kindly note, we do not represent that these are the entirety of potential costs but are only to be used as a guide. All transfer taxes and filing fees are subject to change by governmental agencies in each location.

<sup>1</sup> Local Transfer Tax - Special Transfer Taxes apply to the following towns: Red Hook, Warwick, and Peekskill.  
<sup>2</sup> East Hampton, Riverhead, Shelter Island, Southampton and Southold. The following exemptions apply: \$250,000 for improved and \$100,000 for unimproved in Shelter Island, Southampton and East Hampton; and, \$150,000 for improved and \$75,000 for unimproved in Southold and Riverhead. Please contact DE Title for any New York Counties not shown here. WHILE CARE HAS BEEN TAKEN IN THE PREPARATION OF THIS INFORMATION, NO WARRANTY OR REPRESENTATION OF ACCURACY IS MADE. THIS CHART IS FOR REFERENCE ONLY. MAY 2020. © SUTTON ALLIANCE, LLC. All transfer taxes and filing fees are subject to change by governmental agencies in each location.



# New York State **Mansion Tax**

The existing statewide Mansion Tax on residential properties of \$1 million or more will remain in effect. In New York City, the new rate increases based on the sales price are as follows:

| Property Price              | Mansion Tax <sup>1</sup> |
|-----------------------------|--------------------------|
| \$1,000,000 - \$1,999,999   | 1.00%                    |
| \$2,000,000 - \$2,999,999   | 1.25%                    |
| \$3,000,000 - \$4,999,999   | 1.50%                    |
| \$5,000,000 - \$9,999,999   | 2.25%                    |
| \$10,000,000 - \$14,999,999 | 3.25%                    |
| \$15,000,000 - \$19,999,999 | 3.50%                    |
| \$20,000,000 - \$24,999,999 | 3.75%                    |
| \$25,000,000 or more        | 3.90%                    |

# Real Estate **Terms**

## **Appraisal**

An estimate of the fair market value of a home, delivered by an unbiased third party.

## **Capital**

The sum of a buyer's savings, investments or assets.

## **Escrow**

The seller's attorney will hold money (typically a 10% deposit) in an escrow account to secure the sale until the transaction is complete.

## **Inspection**

A careful examination of the property and related documents.

## **Financial Statement**

A formal written record of a buyer's financial activities, including their assets, debts and liabilities.

## **Flip Tax**

A transfer fee, payable by the seller or buyer to the building upon the sale of an apartment.

## **Lender**

A person or company that manages loans for real estate purchases.

## **Market Value**

Theoretically, the highest price a buyer would pay and the lowest price a seller would accept.

## **Mortgage**

A legal agreement by which a bank or other creditor lends money (at interest) in exchange for the title of a debtor's property.

## **Staging**

Styling and furnishing a property for sale to enhance its appeal to potential buyers.

## **Transfer Tax**

A tax imposed when the title of a property changes hands from one entity/individual to another.





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