

## Money 101 - Real Estate

### 11.52 CLOSING COSTS - typical fees paid by the SELLER

<b>Property Sale Price</b>	\$ 400,000	\$ 500,000	\$ 600,000	\$ 700,000	\$ 800,000
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#### ASSUMPTIONS

ANNUAL - Real Estate Taxes	1.50%	\$ 6,000	\$ 7,500	\$ 9,000	\$ 10,500	\$ 12,000
ANNUAL - Home Owner Association Maintenance/Common	2.00%	\$ 8,000	\$ 10,000	\$ 12,000	\$ 14,000	\$ 16,000
ANNUAL - Insurance	0.20%	\$ 800	\$ 1,000	\$ 1,200	\$ 1,400	\$ 1,600

#### CLOSING COSTS

Broker Fee	Purchase Price	5.00%	\$ (20,000)	\$ (25,000)	\$ (30,000)	\$ (35,000)	\$ (40,000)
Real Property Transfer Tax	Purchase price	1.50%	\$ (6,000)	\$ (7,500)	\$ (9,000)	\$ (10,500)	\$ (12,000)
Seller's Attorney Fee	flat fee		\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (1,500)
Recording Fee - towhsi[ Courier Fee	flat fee		\$ (60)	\$ (60)	\$ (60)	\$ (60)	\$ (60)
Courier Fee			\$ (70)	\$ (70)	\$ (70)	\$ (70)	\$ (70)
Document Preparation Fee	flat fee		\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)
<b>TOTAL CLOSING FEES</b>			<b>\$ (27,880)</b>	<b>\$ (34,380)</b>	<b>\$ (40,880)</b>	<b>\$ (47,380)</b>	<b>\$ (53,880)</b>
% of selling price			-7%	-7%	-7%	-7%	-7%

#### CREDIT for PREPAID - assume closing midmonth

CREDIT for Utilities	oil tank measure	15 days	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
CREDIT for Real Estate Tax		15 days	\$ 250	\$ 313	\$ 375	\$ 438	\$ 500
CREDIT for HOA fees		15 days	\$ 333	\$ 417	\$ 500	\$ 583	\$ 667
<b>TOTAL PREPAID &amp; ESCROWED</b>			<b>\$ 783</b>	<b>\$ 929</b>	<b>\$ 1,075</b>	<b>\$ 1,221</b>	<b>\$ 1,367</b>

<b>NET TO SELLER</b>	<b>\$ 372,903</b>	<b>\$ 466,549</b>	<b>\$ 560,195</b>	<b>\$ 653,841</b>	<b>\$ 747,487</b>
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The above assumes NO FLIP TAX

The seller will need to provide their social security number and will receive a 1099 from the Buyer's attorney reflecting the above transaction  
Capital Gains tax MAY be due if there was a gain over the "Basis".

The Basis is usually the cost, plus improvements, (less depreciation for commercial property)