

Closing Costs Guide

SELLER

Basically the same for a condo or co-op

New York State Transfer Tax	.4% of purchase price
New York City Transfer Tax	1% of purchase price (\$500,000 or less) 1.425% of purchase price (\$500,000 or more)
Attorney Fee	\$2,000 - \$3,000 (depends on attorney and transaction)
Managing Agent Transfer Fee (Co-op)	Approx. \$500 - \$1,000
Flip Tax (Co-op)	Fee charge by a co-op upon transfer of title – usually charged to the seller. Not all co-ops have a flip tax. Some condos are now imposing a flip tax.
Brokers Commission	6% of purchase price
Capital Gains Tax	Consult with accountant or tax professional. General rule is that an individual seller is exempt from tax for up to \$250,000 of net profit as long as they resided in the home as a primary residence for two consecutive years out of five immediately preceding the closing. A married couple is exempt from tax for up to \$500,000 if they meet the residency requirements.

PURCHASER: CO-OP

Co-op closing costs are much less than a condo

Board Application	\$250 - \$750 (not including move-in deposit/fee)
Lien Search	\$275 - \$350
Attorney Fee	\$2,000 - \$3,000 (depends on attorney and transaction)
Managing Agent Fee	If financing – approx. \$300 and usually none if no financing
With Financing	Loan closing costs (consult with mortgage banker)
Mansion Tax	1% of purchase price if \$1,000,000 or more

PURCHASER: CONDO

Title Insurance	Regulated by NY law, approx. 0.5% - 0.8%, depending on purchase price
Bank Fee's	Approx. \$800 - \$1,200
Mortgage Tax	1.80% if mortgage amount is under \$500,000 and 1.93% if mortgage amount is over \$500,000
Attorney Fee	\$2,000 - \$3,000
Loan Costs	Consult with mortgage banker
Mansion Tax	1% of purchase price if over \$1,000,000
Title Closer Fee	\$250

PURCHASE NEW CONDO OR CO-OP FROM SPONSOR (DEVELOPER)

In this transaction, it is standard for the Purchaser to pay certain closing costs that are ordinarily paid by the Seller in addition to the Purchaser's usual closing costs listed above. The Seller's cost paid by Purchaser in the sponsor transaction are:

New York State Transfer Tax (see seller's costs above)
New York City Transfer Tax (see seller's costs above)
Sponsor's attorney fee's: \$1,750 - \$2,500

FOREIGN PURCHASES

There is no difference in closing costs for a foreign purchaser. However, a foreign purchaser buying an investment property will likely want to create an LLC (limited liability company) so that title to the property is in the name of a domestic entity, rather than a foreign individual. Fees associated with an LLC vary depending on what county the LLC is formed in.

General LLC Formation Fee: \$350
Legal Fee: \$1,000 (Approx.)
Publication Fee: \$1,700 (Approx.)

FOREIGN SELLERS

A foreign seller will be treated differently at the Closing by the U.S. Government. A person who is neither a Citizen, a Permanent Resident Alien, nor someone who has resided in the U.S. for more than 180 days a year for the last 3 years, must have 10% of the sales price withheld from them at closing and deposited with the IRS.

This guide contains approximations and estimates of Closing Costs. Closing Costs are subject to change by City and State agencies. This is not intended to serve as legal advice. Costs are subject to change. Consult your attorney and tax professional.

