

How Much Money Will You Walk Away With From Selling Your Home?

As the seller of your home, you are bound to face a parade of taxes, commissions and other fees that could cost up to 4% to 7% of your sale. So how will you know how much money you will walk away with? Your Realtor will give you a worksheet itemizing all of the charges you are responsible for. The amounts vary by transactions, but most sellers will see several, if not all, of these common fees.



Money Management

Fees paid at closing

Once you have struck a deal with a buyer, you will have other fees to pay before you can finalize the sale. For example:

- **Lien release document:** If you owed money to a contractor, for court judgments, or for property taxes, a lien may have been placed on your property and you must pay that money before the sale can close.
- **Recording fees:** If you owe money on the property, you will need to pay this fee to show your debts have been fully paid.
- **Notary fees:** A fee charged by a notary to verify your identity and to make sure the documents are executed properly.
- **Escrow fees:** The escrow company acts as an intermediary between you and the buyer, ensuring the money is handled properly. Escrow agents receive money from the lender, pay off your mortgage and closing costs, collect deposits and give the proceeds to the lender. You may be able to split these costs with the buyer.
- **Title search fees:** Title companies search public records and give you a title insurance commitment. This document proves you have a legal right to sell your home.
- **Transfer Tax (Doc Stamp) & Title insurance**

Working with the buyer

Depending on the real estate market in your area and your buyer, you may have to negotiate and cover certain costs for the buyer, such as:

- **Closing cost concession:** After you and the buyer agree on the final sale price, it isn't uncommon for the buyer to ask for a closing cost concession to cover their closing costs. This fee—typically 3%—is added to the price of the house and then returned to the buyer after closing.
- **Repairs:** Depending on the condition of the house, the buyer or the lender may ask you to cover the cost of repairs before closing.
- **Home warranty:** Sometimes a seller will agree to foot the bill for a home warranty that offers a protection plan for the buyer's first year in the home.

CLOSING COSTS



Managing your mortgage

If you have a mortgage when selling your home, you will face a few charges such as:

- Mortgage balance payoff: The cost of repaying your home loan, second mortgage and any home equity line of credit is deducted from the sale price of your home.
- Loan payoff fee: Some lenders charge an administrative fee when you pay off your mortgage or home equity line of credit.
- Prepayment penalty: If you have a prepayment penalty clause in your mortgage, you will have to pay a fee to pay off your loan when you sell your home.

COMMISSION FEES

The largest fee will most likely be the real estate commission. This is a place where some sellers try to scrimp and probably should not. If a seller hires the right agent, that agent will most likely earn her fee back and then some through her handling of the transaction. The National Association of REALTORS routinely conducts surveys that show sellers earn about 20% more by hiring a REALTOR® over selling a home by owner.

Fees from selling your home: Commissions

Real estate agents work on commission. When you're selling your home you will pay a commission — typically 6% — to your agent's brokerage and the buyer's agent's brokerage. The agents are then paid from their brokerages.

While these fee's are very common they may or may not be included in the sale of your home. It is also possible that others fee's may also be charged. The best process is to get with your Realtor and have a net sheet filled out to get a good estimate of your net proceeds from the sale of your home.

To help you to better understand I have attached a net sheet to help you learn the cost that can be incurred from the sale of your home. While some of these fee are common to all transaction some are not. The best courses of action is to reach out and set a time for us to go over your particular situation and so you are knowledgeable about what your estimate net would be for the sale of your home.

Estimated Closing Costs

	CONV.	VA	FHA	CASH/ASSM
Fees to Release Existing Liens				
Tax Statement and Certificate Fees				
Tax Service Fee				
Deed Preparation Fees and Attorney's Fees				
Recording Fees				
Escrow Fee				
Brokers' Fees				
Discount and Buydown Fees				
Flood Certificate Fee				
Lender Inspection Fee				
Termite Inspection Fee				
Courier Fees				
Survey Fees				
Appraisal Fees				
Lender Endorsement Fees				
Underwriting Fee				
Wire Funding Fee				
Condominium Transfer Fees				
Owner's Title Policy Premium				
Lender Required Repairs				
Repairs required by Buyer				
Service Contract or Home Warranty Fee				
Loan Discount and Buydown Fees				
Interest Proration (1 st day of month through funding date)				
Tax Proration (Jan. 1st through closing date)				
Other				
Estimated Total Closing Costs	0.00	0.00	0.00	0.00

Estimated Proceeds to Seller at Closing

Sales Price	
Less Estimated Closing Costs ()	
Less Estimated Loan Balance ()	
Estimated Net Proceeds	

After Closing Refunds

Estimated Unused Insurance	
Estimated Escrow Balance	
Total Estimated Refunds	0.00