

YOUR GUIDE TO

buying a home

IN WESTCHESTER



**Brown
Harris
Stevens**



Why Buy?

There are many reasons to consider homeownership over renting:

- **Property Appreciation** Historically, Westchester has seen property values rise over time. Buying is a great way to let your money work for you.
- **Tax Write Offs** Enjoy the ability to write off a portion of your monthly costs. As a primary or secondary residence, the interest payments of your loan (up to \$750,000 of loan value), as well as the real estate tax that is apportioned to your apartment/home, may be able to be deducted to a limit. Please consult with your accountant about your eligibility.
- **Build Equity** As your property appreciates in value, you can use the equity you build to “trade up” to purchase a larger home, or simply amass greater savings.
- **Capital Improvements** Unlike a rental property, as you invest in the cosmetic or structural improvement of your home, it is directly correlated to increasing the value of the home itself.
- **Capital Gains** Primary Residence Exclusion If you purchase a primary residence and live there for more than 2 years, you can exclude up to \$250,000 in capital gain from tax if you are single, and up to \$500,000 for a couple.
- **1031 Exchange** A 1031 Exchange allows you to sell an investment property and reinvest in a like-kind replacement property within a period of time in order to defer taxes on recognition of capital gains and related federal income tax liability.

All information is from sources deemed reliable but is subject to errors, omissions, changes in market, laws, price, prior sale or withdrawal without notice. No representation is made as to the accuracy of any description or estimates or that any financial projections can be achieved. Actual results are subject to changes in market conditions, tax and interest rates and other factors. All measurements and square footages are approximate and all information should be confirmed by customer. Customers should consult with their professional advisors for tax and financial specifics.

Step-by-Step Guide to Buying a Home

1. Create a Wish List Speak with your Brown Harris Stevens Agent about what you desire and require of a home and neighborhood. Defining the price range, size will give your agent a good starting place for your search. Flexibility in any of these areas will broaden your options.

2. Select a Winning Team It is not only important to work with a Real Estate Agent whom you like and trust, but to select a full team of skilled professionals, including a Westchester-based Real Estate Attorney and Mortgage Broker/Banker, who can help facilitate the process. Purchasing in Westchester is highly specialized, so it is important to work with experts who can guide you through the intricacies.

3. Consult About Financing Whether working with a Mortgage Broker or Financial Institution directly, one of the most important steps in the purchase process is to meet with a professional to assess your finances and determine what you can afford and whether you should finance your purchase.

4. Fully Disclose Your Financials Your agent will best guide you through this process once he or she is aware of your financial situation, specifically, your down payment, liquid assets after closing, debt and overall income. This will assist them in finding the best home to fit your parameters and help you spend your time as wisely as possible.

5. Plan Your Search Your Brown Harris Stevens Agent has access to all available listings in Westchester transmitted by the MLS' such as Hudson Gateway/One Key MLS as well as Real Estate Board of New York (REBNY). Ask them to send you potential listings prior to making appointments and going to open houses. There is no need to seek the assistance of multiple agents as all members have access to the same listings.

6. Hit the Ground Running The best times to view properties are weekdays from 10am to 7pm, and on Sunday, when you can cover a lot of ground by visiting Open Houses scheduled by your Brown Harris Stevens agent throughout the day.

7. Make an Offer You've found it! The next step is to discuss submitting an offer through your agent. An offer includes your preferences such as price, down payment, approximate closing date and included/excluded personal property (light fixtures, etc.), as well as your qualifications as a buyer (i.e. current income, job description, net worth and debt status). A copy of your bank pre-approval if you are financing should accompany the offer.

Please note: Protect yourself against wire fraud. Before making any wire transfer, always call the receiving party to confirm the wire details.





Step-by-Step Guide to Buying a Home (cont.)

8. Due Diligence Once the seller accepts your offer, the seller's attorney supplies your attorney with a Contract of Sale. In addition to the review of the language of the contract, your attorney will review the necessary/pertinent documents such as the Offering Plan, Building Financials, and Board Meeting Minutes for co-ops + condos. For a house, your attorney will review city documents, surveys and title reports. Your Agent and/or attorney may suggest that an engineering inspection be done on the property prior to signing the contract.

9. Sign a Contract Upon satisfactory due diligence, you should be ready to sign your contract. Unlike most states, in New York no monies are due until you are ready to sign, when a 10% earnest deposit is usually due and held in escrow until closing. It is very important to note that until both parties sign a contract and it is delivered to the seller or seller's attorney, a seller can accept another purchaser's offer.

10. Apply for a Mortgage Upon signing your contract, immediately contact your mortgage broker/banker to help move the process along quickly. The loan process may take up to 45 days to complete and hinges on your ability to provide all the required financial documents to your broker/banker.

11. Inspect the Premises Prior to signing a contract it is advisable to have an engineering report completed. Your Agent will accompany you to inspect the property. Make certain to check appliances, and plumbing.

12. Close the Deal Within a few days of your closing date, your attorney will advise you on what certified monies to bring to the closing. Also be sure to bring your driver's license or passport, and a checkbook.

13. Final Walk Through Make certain to check all appliances, plumbing, and that personal property has been removed, and the premises are in broom swept condition.

Congratulations You're a homeowner!

Please note: Protect yourself against wire fraud. Before making any wire transfer, always call the receiving party to confirm the wire details.

Comparing Condos, Co-ops and Houses

	House/Townhome	Condo	Co-op
Ownership Type	Deed/Title	Deed/Title	Stock Certificate
Required Monthly Costs	RE Taxes, Homeowners Insurance, Water/Sewer, Heat/Hot Water	Common Charges, RE Taxes, Homeowners Insurance	Maintenance, Homeowners Insurance
Financial Requirements	Subject to Bank Approval	Funds to Close	Debt to Income Requirements, Post-Closing Liquidity
Due Diligence	Inspection of Mechanicals, Roof, Electric, Property and Land	Offering Plan, Building Financials, Meeting Minutes, Management Questionnaire	Offering Plan, Building Financials, Meeting Minutes, Management Questionnaire
Approval Process	Property Inspection and Bank Approval (if applicable)	Purchase Application	Board Package and Interview
Renting Out/Subletting	At Owner's will but subject to what certificate of occupancy allows	At Owner's will, subject to technical approval and condo rules	Subject to Board Approval and might have a time limit and board interview required
Approx Closing Time Frame	1-2 months, depending on financing and seller time frame	2-3 Months from Contract Signing	2-3 Months from Contract Signing
Potential Additional Costs	Inspection and Survey, RE Atty, Title Ins	Capital Contribution, RE Atty, Inspection, Title Ins	RE Atty, Board App, Inspection
Closing Costs	Ranges from 3-7% of purchase price	Ranges from 3-7% of purchase price	Substantially less than that of Real Property



Types of Ownership



House/Townhome

A purchaser of a townhouse or house receives “fee simple” ownership of real property. The owner is responsible for payment of real estate taxes and common charges such as but not limited to water, electric, gas, as well as insurance. The owner is also solely responsible for approving the sale or lease of the property. When owning your home, all equipment, repairs and upkeep such as roof, heating/cooling, windows, outdoor structures, hot water, electrical systems, video monitor and anti-theft systems are maintained by the homeowner, unless a property manager is hired. In addition to single family homes, some properties are designated as multi-dwelling (i.e., 2-4 family) homes. Check with your attorney about the possibility of increasing or decreasing such designations as well as zoning restrictions. Keep in mind that homes which are larger than 4-family are considered a commercial purchase.



Types of Ownership



Condominium

The ownership of a condominium apartment is similar to the ownership of real property. A purchaser of a condo takes title by deed for not only the apartment but also a percentage of the building's common areas. Each owner pays property taxes to the city and common charges to the Board of Managers for their individual units. Real estate taxes may be deductible, however common charges are not.

The Board of Managers is elected by the condo residents to oversee building operations and enforcement of the "house rules." The board uses the common charges to pay employees, as well as repair and improve the building.

Condominium transactions include a "right of first refusal" by the Board within 20–30 days from receipt of a completed application.

Cooperative

Cooperatives, or co-ops, comprise a large portion of New York City's real estate market and a lesser selection in Westchester. When purchasing a cooperative apartment, one purchases shares of stock in a corporation that owns the building and usually the land beneath. A stock certificate representing the purchased shares and a proprietary lease giving the right to occupy the apartment are conveyed at closing.

The size of the apartment and its amenities determine the number of allocated shares, which therefore determines the amount of maintenance. Maintenance fees cover the operating costs of the building such as upkeep of common areas, staff salaries, as well as payment of real estate taxes and interest on any underlying building mortgage.

A Board of Directors, whose duties are to conduct the business of the corporation and oversee the management company of the building, is elected from among the shareholders. Typically, the Board or an interview committee reviews the application of each prospective shareholder or lessee and presides over a personal interview prior to approving any purchase or lease. The Board has the right to approve or deny any applicant without cause.

Most co-ops require shareholders to occupy their apartments as primary residences; however, depending on the building, there may be an allowance for subletting. A prospective lessor is required to submit a formal application and personally interview with the Board for its approval. Duration varies from building to building, so be sure to ask your agent to confirm.

Building Terms



Single Family Homes are usually 1 to 3 stories and are either single family homes or have been converted into multiple apartments (usually one per floor).

Pre-War Buildings are those built before World War II. These buildings tend to be recognized for features such as larger rooms and/or windows, hardwood floors and high ceilings.

Post-War Buildings are generally larger than Pre-War, and were built between the 1950's and 1970's.

Architectural Styles dictate the style in which a home is built. There are many different architectural styles, and these are typically based on some historic era or geographical location. Examples include the Cape Cod, Mediterranean, Mid-Century Modern, Georgian, and Ranch styles. Typically, they are detached or semi-detached and the roads around them are arranged in cul de sacs and wide avenues. More modern housing estates were built in the late 20th century as towns and cities have continued to grow.

Westchester County - Closing Costs For Single Family Homes, Condominiums And Townhouses

Seller's Closing Costs

New York State Transfer Tax	0.4% of sales price
Attorney's Fee	\$2,500 - \$3,500
Broker's Commission	6% of sales price
Satisfaction of Mortgage Recording Fee	\$100 per mortgage
Miscellaneous Title Fees	\$200 - \$500
Title Closer Pick-Up Fee for Mortgage Payoff	\$150 - \$300 per mortgage

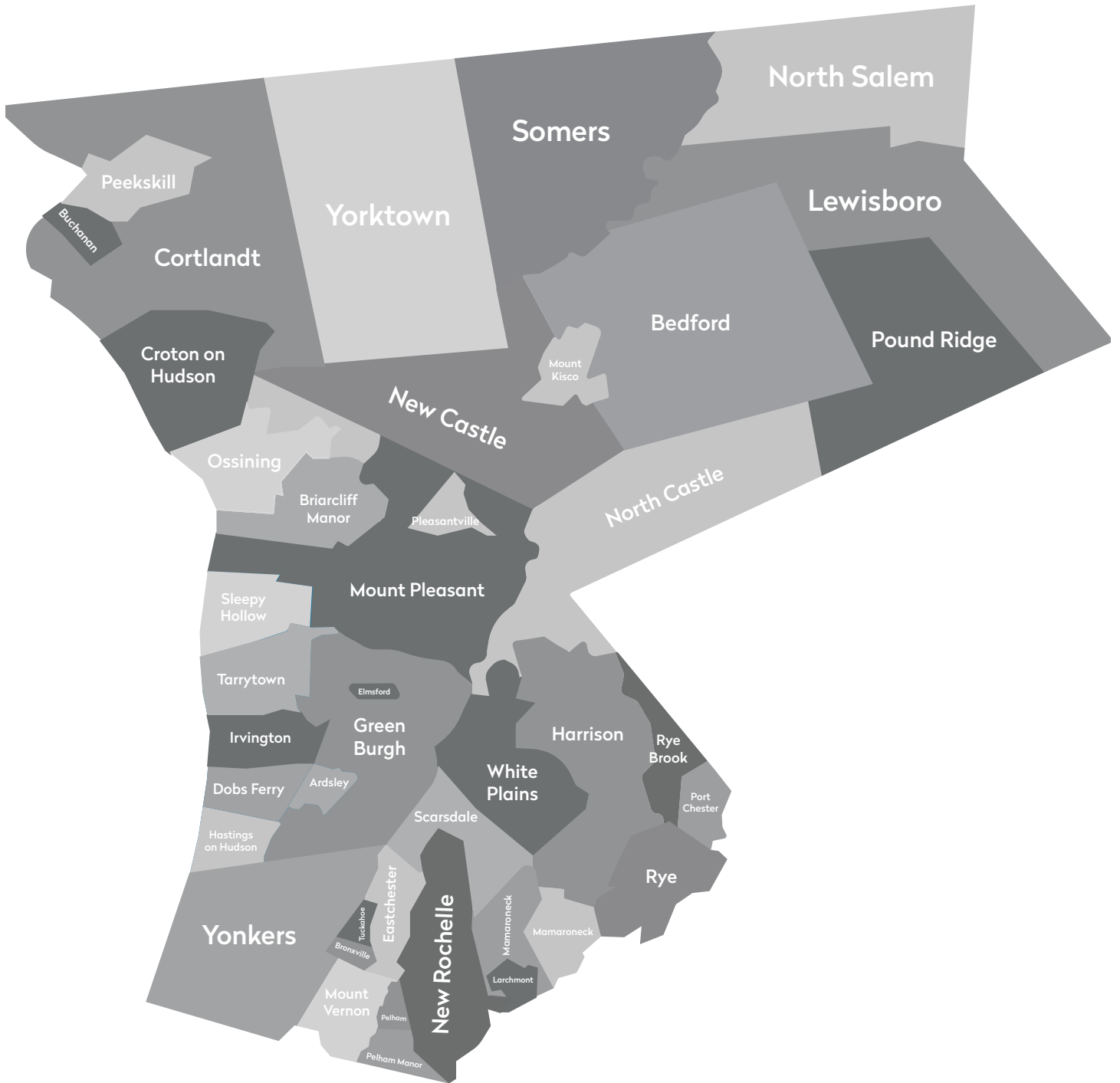
Purchaser's Closing Costs:

Bank Fees: includes fees such as discount points, application fee, credit reports, document preparation, underwriting/post-closing review and appraisal fee	Varies according to bank and loan product (obtain estimate from lender)
Bank Attorney	\$950 - \$1,250
Mansion Tax	1% of purchase price when price is \$1,000,000 or more
Title Insurance	Approximately \$450 per \$100,000 of purchase price
Mortgage Title Insurance	Approximately \$130 per \$100,000 of loan amount
Title Closer Pick-Up Fee for Mortgage Payoff	Approximately \$130 per \$100,000 of loan amount

Purchaser's Closing Costs (continued):

New York State Mortgage Recording Tax	1.80% of loan amount if loan is less than \$500,000; 1.925% of loan amount if loan is \$500,000 or more
Attorney's Fee	\$2,500 - \$3,500
Title and Municipal Search Fees	\$500
Recording Fees	\$250 - \$750
Title Closer Attendance Fee	\$300

Westchester Area Map



OFFICE LOCATIONS

Riverdale

RIVERDALE

**Handling Westchester
Buyers and Sellers**
3531 Johnson Avenue
Riverdale, NY 10463
Phone: 718-878-1700

Manhattan

EAST SIDE

445 Park Avenue
New York, NY 10022
Phone: 212-906-9200

WEST SIDE / BROADWAY

1934 Broadway
New York, NY 10023
Phone: 212-588-5600

FLATIRON

130 Fifth Avenue
New York, NY 10011
Phone: 212-906-0500

UNION SQUARE

100 Fifth Avenue, 2nd Floor
New York, NY 10011
Phone: 212-381-6500

SOHO

451 West Broadway
New York, NY 10012
Phone: 212-381-4200

TRIBECA

43 North Moore Street
New York, NY 10013
Phone: 212-452-4500

HARLEM

2169 Frederick Douglass Boulevard
New York, NY 10026
Phone: 212-381-2570

DEVELOPMENT MARKETING

451 West Broadway
New York, NY 10012
Phone: 212-521-5757

REFERRAL & RELOCATION SERVICES

445 Park Avenue
New York, NY 10022
Phone: 212-381-6521

Brooklyn

BROOKLYN HEIGHTS

129 Montague Street
Brooklyn, NY 11201
Phone: 718-875-1289

PARK SLOPE

100 Seventh Avenue
Brooklyn, NY 11215
Phone: 718-230-5500

PARK SLOPE, 7TH AVE

160 Seventh Avenue
Brooklyn, NY 11215
Phone: 718-878-1960

COBBLE HILL

166 Court Street
Brooklyn, NY 11201
Phone: 718-613-2020

BAY RIDGE

8324 4th Avenue
Brooklyn, NY 11209
Phone: 718-878-1880

Queens

LONG ISLAND CITY

47-12 Vernon Boulevard
Long Island City, NY 11101
Phone: 718-878-1800

FOREST HILLS

73-01 Austin Street
Forest Hills, NY 11375
Phone: 718-520-0303

Hamptons

EAST HAMPTON

27 Main Street
East Hampton, NY 11937
Phone: 631-324-6400

BRIDGEHAMPTON

2408 Main Street
P.O.Box. 683
Bridgehampton, NY 11932
Phone: 631-537-2727

SAG HARBOR

96 Main Street
P.O. Box 1606
Sag Harbor, NY 11963
Phone: 631-725-2250

SOUTHAMPTON

31 Main Street
Southampton, NY 11968
Phone: 631-287-4900

WESTHAMPTON BEACH

70 Main Street
Westhampton Beach, NY 11978
Phone: 631-288-5500

NORTH FORK

13105 Main Road, P.O. Box 6
Mattituck, NY 11952
Phone: 631-477-0551

OFFICE LOCATIONS

Connecticut

GREENWICH

125 Mason Street
Greenwich, CT 06830
Phone: 203-869-8100

DARIEN

671 Boston Post Road
Darien, CT 06820
Phone: 203-655-1418

NEW CANAAN

183 Elm Street
New Canaan, CT 06840
Phone: 203-966-7800

STAMFORD

1099 High Ridge Road
Stamford, CT 06905
Phone: 203-329-8801

ROWAYTON

140 Rowayton Avenue
Rowayton, CT 06853
Phone: 203-853-1419

WESTPORT

56 Post Road East
Westport, CT 06880
Phone: 203-221-0666

New Jersey

HOBOKEN

127 Washington Street
Hoboken, NJ 07030
Phone: 201-478-6700

MONTCLAIR

635 Valley Road
Montclair, NJ 07043
Phone: 973-744-6033

Florida

COCOANUT ROW

50 Cocoanut Row, Suite 104
Palm Beach, FL 33480
Phone: 561-659-6400

WORTH AVENUE

353 Worth Avenue
Palm Beach, FL 33480
Phone: 561-659-6400

SOUTH DIXIE HIGHWAY

1970 South Dixie Highway, Suite C1
West Palm Beach, FL 33401
Phone: 561-805-5050

CONTINUUM OFFICE

40 South Pointe Drive, Suite 110
Miami Beach, FL 33139
Phone: 305-695-1111

COCONUT GROVE OFFICE

2665 South Bayshore Drive, Suite 100
Miami, FL 33133
Phone: 305-666-1800

SOUTH MIAMI OFFICE

7500 Red Road, Suite A
South Miami, FL 33143
Phone: 305-662-9975

Long Island / Commercial Services

GARDEN CITY

585 Stewart Avenue-Suite 790
Garden City, NY 11530
Phone: 516-203-8100

Thank
You

Brown Harris Stevens

Townhouse & House Purchases Only

Title Insurance:	Approximately \$4 per \$1,000 of purchase price
Mortgage Title Insurance:	Approximately \$1 per \$1,000 of loan amount
Title and Municipal Search:	\$350-\$500
Title Endorsements:	\$75-\$150
Deed Recording Fee:	\$250-\$750
Mortgage Recording Fee:	If applicable: Mortgage less than \$500,000 = 1.80% of mortgage amount (minus \$30 for 1 or 2 family dwellings) Mortgage greater than \$500,000 on 1-3 family residential dwelling = 1.925% of mortgage amount (minus \$30 for 1 or 2 family dwellings)
Real Estate Tax Adjustment	Purchaser reimburses seller for any pre-paid real estate tax

Sponsor Sales (New Development & Conversion) – Additional Sample Closing Costs Typically Paid By Purchaser

Sponsor's Attorney Fees:	\$2,500+	
Sponsor's NYC Transfer Tax**:	Residential (1-3 Family House, Individual Condo or Co-op Unit): \$500,000 or less = 1% of purchase price Greater than \$500,000 = 1.425% of purchase price All Other Transfers: \$500,000 or less = 1.425% of purchase price Greater than \$500,000 = 2.625% of purchase price	
Sponsor's New York State Transfer Tax**:	Price	Transfer Tax
	\$2,999,999 and less	0.40%
	\$3,000,000 or more	0.65%
Resident Manager (Super)'s Unit:	If applicable, calculated based on Purchaser's percentage of common interest in the building	
Working Capital Fund Contribution:	One-time fee of approximately 1 to 2 months of common charges	

*Check with the managing agent of the co-op/condominium to determine specific fees.

**The transfer taxes are calculated and added to the purchase price (for tax purposes only) and then recalculated based on the higher price (may trigger Mansion Tax). These may be negotiable.

All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors. No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own counsel and refer to transaction details for verification of all costs.