

How to Buy in New York City

*Our goal is to make
the buying process as
seamless as possible.*

WHY USE AN AGENT?

Purchasing a home is an investment in the future. Market knowledge and a depth of market experience are vital when making such an important decision. Ongoing, personalized service and follow-through are equally crucial. This translates into efficient use of your time and effective management of your assets.

New York City offers a wealth of options for residential buyers. From classic prewar co-ops on the Upper East Side to modern glass tower condos in Midtown, and from posh Downtown lofts to beautiful Brooklyn brownstones, the choices seem almost limitless.

Therefore, you must work with an experienced and knowledgeable agent who can offer a wealth of information along with strong negotiating and problem-solving skills. In a city with over 300 residential real estate firms, choosing the right broker makes all the difference.

THE STRIBLING DIFFERENCE

For more than 35 years, Stribling has earned the trust of its clients and the respect of its colleagues in the real estate industry. We keep confidences and represent each party with the highest level of service while bringing intelligence and skill to each transaction, large or small.

Stribling's agents offer in-depth market expertise and have an intimate knowledge of New York City's most desirable neighborhoods and buildings. Our heightened level of attentiveness and understanding helps us match buyers with homes that reflect their lifestyles, needs and personalities. And while our approach is ever thoughtful, our responsive agents move quickly in order to ensure that buyers have access to the newest and best properties on the market.

We remain involved at every stage of your purchase: initial home search, negotiation, going to contract, board approval (if purchasing a co-op), and closing. Our goal is to make the buying process as seamless as possible. It is one of the reasons that the majority of our business comes from referrals. Our comprehensive and success-oriented approach ensures that clients return to us again and again throughout their lifetimes — and endorse the Stribling name from one generation to the next.

Prospective buyers for a co-op must provide detailed personal financial data, tax returns, and social and professional reference letters to the board in order to be approved for purchase.

MAKING AN OFFER

This is how the bidding process typically works:

01. Your agent will submit an offer on your behalf to the seller's real estate agent, along with the presentation of your qualifications. This may be done orally or in writing.
02. Remember to inquire about the flip tax, as this is sometimes a negotiating point.
03. The seller may accept or counter your offer as part of a price negotiation.
04. In case of multiple bids, your agent will work with you to submit the highest and best offer that you are comfortable with.
05. The conclusion of the process will result in agreement upon the price, terms and closing date.
06. You and the seller will need to identify and engage capable and experienced New York City-based real estate attorneys early in the process to prepare and review a contract of sale.

If your bid is accepted, you enter the closing and contract stage:

01. Your attorney will exercise due diligence by asking for certain key documents from the seller or their managing agent. These typically include: *Proprietary lease or offering plan* ▪ *The building's by-laws* ▪ *Statement of the building's financial condition*.
02. Following your attorney's review and approval, you will sign the contract of sale. At the signing, it is typical to present a deposit of 10% of the sale price.
03. The contract and deposit are forwarded to the seller's attorney, who will obtain the seller's signature.
04. Your deposit is usually held in the seller's attorney's escrow account until the closing date. Normally, any interest earned follows the principal.
05. The seller's real estate agent provides you with the building's board requirements and application forms, which may include: *Application* ▪ *Signed financial statements* ▪ *Tax returns* ▪ *Bank statements* ▪ *Brokerage statements* ▪ *Personal and financial letters of reference* ▪ *Social and professional reference letters* ▪ *Contract of sale* ▪ *Bank financing documents (if financing)*.
06. Your agent will assist you in compiling the board package and will send it to the seller's agent. They will review it prior to submission to the building's managing agent, who will present it to the building's board of directors.

*“There’s something
for everyone in New
York.”*

— *Stribling Agent*

07. Upon review, the board may or may not ask for additional information. It may also turn you down. If not, the board will arrange to interview you. Participants should be forewarned that the time lapse between submission of the board package and scheduling of the interview varies greatly from building to building, and from season to season. Generally, condominium buyers are not interviewed.
08. With the board’s approval, the final step is the closing. This usually occurs in the office of the building’s managing agent. The exact date should be flexible to accommodate everyone (you, the seller, the attorneys, the banks and the managing agent). It is best to allow for a potential delay of up to 30 days from the closing date specified in the contract.
09. Immediately prior to the closing, your agent will schedule a final walk-through inspection of the property for you.

Estimated Closing Costs for Cooperative Buyers:

01. Buyer’s attorney (this varies): \$2,500
02. Bank fees (if financing: application, credit reports, appraisal, bank attorney, etc.): \$2,500
03. Mansion tax: 1% of entire purchase price when price exceeds \$1 million
04. Lien search and UCC filing: \$425
05. Managing agent or co-op attorney: \$750
06. Maintenance adjustment: up to one month*
07. Short-term interest adjustment: up to one month*
08. Move-in deposit or fee: \$1,000
09. Flip tax (if any): generally around 2%**

*Pro-rated for month of closing.

**Flip taxes vary in amount and to whom they are payable (buyer or seller).



“Knowledge and energy are everything. New York is one giant battery and I make sure my clients and customers are plugged in at all times.”

— Stribling Agent

Estimated Closing Costs for Condominiums & Townhouse Buyers:

01. Buyer's attorney (this varies): \$2,500
02. Bank fees (if financing: application, credit reports, appraisal, bank attorney building questionnaires, etc.): \$2,200
03. Recording fees: \$200
04. Mortgage tax: 1.8% of amount of mortgage on loans under \$500,000 or 1.925% of amount of mortgage on loans over \$500,000
05. Mortgage title insurance: approximately \$200 per \$100,000 (if financing)
06. Title insurance fee: approximately \$450 per \$100,000
07. Mansion tax: 1% of entire price when price exceeds \$1 million
08. Miscellaneous title charges: \$500
09. Managing agent's fee: \$500
10. Common charge adjustment: up to one month*
11. Real estate tax adjustment: one to six months**

*Pro-rated for month of closing.

**Expect to pay eight months' real estate taxes combined between buyer and seller as an adjustment and escrow established by lender.

When purchasing in a new development from a sponsor, the purchaser will typically be required to pay New York City and New York State transfer taxes (1.825%) as well as the sponsor's attorney's fee.