

# Estimating Net Proceeds

Once you've been given an estimate of market value by your REALTOR®, you will get a rough idea of how much cash you might walk away with when the sale is completed. This can be particularly useful when you are looking for another home to buy.

To estimate your net proceeds, here are the most applicable costs that may be subtracted from the expected sales price of your home. **(Other fees/costs may apply depending on your particular sale and terms):**

## Typical Seller's Costs include:

- broker's commission
- unpaid property taxes
- inspection and repairs for termites
- natural hazard disclosure report
- transfer taxes
- other closing costs
- payoff total on your present mortgage loan(s)\*\*
- prepayment penalty on your mortgage (if any)\*\*

A rough estimate of your Selling costs for consideration: Calculate roughly 6 to 7% of the estimated sales price of your home. For example, if you sell your home for \$500,000, you may estimate your selling fees and closing costs at approximately \$30,000 to \$35,000. **\*\*Note: This estimate DOES NOT reflect your Mortgage Payoff or any Pre-Payment Penalties you may incur.**

## Typical Buyer's Costs include:

- title charges
- recording fees
- property taxes
- escrow fees
- loan costs & fees
- home inspection fees (if any)
- home protection plan (if any)
- other closing costs

A rough estimate of your Buyer's costs for consideration: Calculate roughly 2.5 - 3% of the estimated purchase price of the home with a loan. For example, if you buy a home for \$500,000, you may estimate your purchase fees and closing costs from \$12,500 to \$15,000 depending on the terms of your purchase. **Note: This estimate MAY NOT reflect ALL Loan and Mortgage fees depending on your loan and purchase terms.**

Your escrow officer and lender will be able to better estimate your costs once the terms of your sale have been established, as every sale is different and may have other costs and fees associated with the purchase agreement.

Although many of the fees are negotiable or variable, this will give you a "ballpark" figure to start with.

*The information provided is purported to be from reliable sources. No representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes in price, or other conditions. It is suggested that prospective sellers, buyers, and agents should carefully verify each item and exercise their due diligence.*