



BROOKLYN, NEW YORK

A SELLER PLANNING GUIDE

Brooklyn Seller Closing Costs & *Net Proceeds Guide*

What to know before you sell: transfer taxes, payoffs, closing adjustments, and what may affect the amount you walk away with.

TRANSFER TAXES · PAYOFFS · CLOSING ADJUSTMENTS · NET PROCEEDS



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Presented by Brooklyn Real Property

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INTRODUCTION

What to Know Before You Sell a Property in Brooklyn

Selling a property in Brooklyn is about more than the final sale price. Before you list, it is important to understand the transfer taxes, mortgage payoff, attorney fees, property adjustments, capital gains considerations, and other closing costs that may affect your estimated net proceeds.

Brooklyn Real Property created this guide to help local sellers better understand the numbers behind a sale. Whether you are selling a house, condo, co-op, multi-family property, or investment property, knowing what may be deducted at closing can help you make more informed decisions before you accept an offer.

Your exact figures will depend on your property, sale price, mortgage balance, ownership history, residency status, property type, and tax situation. Use this guide as a planning tool, then review your estimated net proceeds with your accountant, attorney, and Brooklyn Real Property before moving forward.

The Number That Matters Most

Your sale price is only the starting point. The amount you actually walk away with may be affected by:

- Transfer taxes
- Mortgage payoff
- Attorney fees
- Brokerage fees
- ACRIS and recording-related costs
- Property tax, water, or insurance adjustments
- Capital gains considerations
- Miscellaneous closing charges

Before you sell, Brooklyn Real Property can help you take a closer look at your property's market value, likely buyer demand, and the costs that may impact your bottom line.

SELLER TIP

Before accepting an offer, ask for a realistic estimate of your potential net proceeds. This gives you a clearer picture of what you may walk away with after common selling costs and closing adjustments.

SELLER COSTS

Common Seller Closing Costs in Brooklyn

Every sale is different, but many Brooklyn sellers should plan for several common cost categories. These items do not apply the same way in every transaction, so your attorney, accountant, and closing professionals should review your final numbers.

NYC Real Property Transfer Tax

New York City Real Property Transfer Tax may apply when real property is sold or transferred in New York City. For many residential transfers, the rate is commonly based on the sale price and property type.

For one-, two-, or three-family homes, individual residential condominiums, and individual residential co-op apartments, the NYC transfer tax rate is generally 1% when the consideration is \$500,000 or less and 1.425% when the consideration is more than \$500,000.

New York State Transfer Tax

New York State also imposes a real estate transfer tax on many property sales. The standard New York State transfer tax is generally calculated at \$2 for each \$500, or fractional part of \$500, of consideration when the consideration exceeds \$500. This is commonly described as \$4 per \$1,000.

Mortgage Payoff

If there is an existing mortgage on the property, the remaining loan balance will typically be paid off at closing. Sellers should request a payoff estimate from their lender before listing so they have a more accurate idea of what may be deducted from the sale proceeds.

Bank Prepayment Penalty

Some loans may include a prepayment penalty if the mortgage is paid off early. Not every seller has this expense, but it is important to confirm with the lender before closing.

Real Estate Brokerage Fee

The real estate brokerage fee is typically addressed in the listing agreement. This amount should be included when estimating your potential net proceeds.

Attorney Fees

Most Brooklyn sellers work with a real estate attorney during the contract and closing process. Attorney fees can vary, so sellers should confirm the expected cost directly with their attorney.

ACRIS and Recording-Related Items

ACRIS is New York City's Automated City Register Information System. Certain filing, recording, or document-related costs may apply as part of the closing process.

Property Tax, Water, Insurance, and Other Adjustments

At closing, certain expenses may be adjusted between the buyer and seller. These may include property taxes, water charges, insurance-related items, or other agreed-upon adjustments. These figures are usually calculated by the attorneys or closing professionals.

Property Condition Disclosure Statement

For many one-to-four family residential properties in New York, sellers should review the current Property Condition Disclosure Statement requirements before listing. The Property Condition Disclosure Statement is required for applicable residential real property transactions, and sellers should confirm the current form and obligations with their real estate professional and attorney before going to market.

Capital Gains Considerations

Capital gains tax may apply when a property is sold for more than its adjusted basis. However, many homeowners selling a primary residence may qualify to exclude up to \$250,000 of gain, or up to \$500,000 for qualifying married couples filing jointly, if IRS ownership and use requirements are met.

Capital gains calculations can be complex. Your accountant can help determine whether you may have taxable gain, whether an exclusion may apply, and whether any tax planning options should be discussed before selling.

WORKSHEET

Estimate Your Possible Net Proceeds

Use this worksheet as a starting point to understand what may be deducted from your selling price. You do not need to know every number right away. Some figures can be estimated with Brooklyn Real Property, while others should be confirmed with your lender, attorney, accountant, or closing professional.

This worksheet is not a final closing statement or tax calculation. It is designed to help you organize the key numbers that may affect your estimated net proceeds before you list or accept an offer.

Who Can Help Fill This Out?

- **Brooklyn Real Property** can help estimate your property's potential market value and provide guidance on common seller costs.
- **Your lender** can provide your mortgage payoff amount and confirm whether a prepayment penalty applies.
- **Your attorney or closing professional** can help confirm transfer taxes, ACRIIS/recording items, adjustments, and closing fees.
- **Your accountant or tax advisor** can help review capital gains considerations and your after-tax estimate.

Property Address _____

Estimated Selling Price \$ _____

Estimated Seller Costs

NYC Real Property Transfer Tax \$ _____

New York State Transfer Tax \$ _____

Mortgage Payoff \$ _____

Bank Prepayment Penalty, if any \$ _____

Real Estate Brokerage Fee \$ _____

Attorney Fees \$ _____

ACRIIS / Recording-Related Items \$ _____

Property Tax / Water / Insurance Adj. \$ _____

Miscellaneous Charges \$ _____

Potential Capital Gains Tax \$ _____

IMPORTANT PLANNING NOTE

This worksheet is only an estimate. Your final closing figures must be reviewed with your attorney, accountant, and closing professionals. An accountant can help determine whether you may have taxable gain, whether a primary residence exclusion may apply, and whether any tax planning strategies may be relevant to your situation. For investment properties, your accountant may also discuss options such as a 1031 exchange.

Brooklyn Real Property can help you start with one of the most important numbers in the process: your property's local market value.

BEFORE YOU LIST

Seller Preparation Checklist

A strong selling strategy starts before your property goes on the market. Gathering the right information early can help you understand your potential proceeds, avoid surprises, and make better decisions throughout the process.

- ☐ Request an updated Brooklyn property value estimate
- ☐ Gather your most recent mortgage statement
- ☐ Ask your lender for a mortgage payoff estimate
- ☐ Confirm whether your loan has a prepayment penalty
- ☐ Collect property tax and water bill information
- ☐ Gather records of major improvements
- ☐ Review any rental income, leases, or tenant details, if applicable
- ☐ Speak with your accountant about potential capital gains
- ☐ Speak with your attorney about transfer taxes and closing costs
- ☐ Review Property Condition Disclosure Statement requirements, if applicable
- ☐ Ask your real estate professional for an estimated seller net sheet

Why Work With Brooklyn Real Property Before You Sell?

Online estimates can give you a starting point, but they rarely show the full picture.

In Brooklyn, a property's value can be influenced by location, condition, property type, layout, rental potential, certificate of occupancy, zoning, income history, buyer demand, and neighborhood trends. Two properties with similar square footage can have very different market positions depending on these details.

Brooklyn Real Property helps sellers look beyond the asking price. Our team can help you understand your property's local market position, prepare for common seller costs, and build a strategy designed around your goals.

From pricing and marketing to offer review and closing preparation, Brooklyn Real Property helps you approach the sale with a clearer understanding of both value and potential net proceeds.

FAQ

Common Questions About Seller Closing Costs in Brooklyn

How much does it cost to sell a property in Brooklyn?

The cost to sell a property in Brooklyn depends on the sale price, mortgage payoff, transfer taxes, brokerage fee, attorney fees, ACRIS or recording-related costs, property tax or water adjustments, and any tax considerations that may apply. Because every property and transaction is different, sellers should review estimated net proceeds with Brooklyn Real Property, their attorney, and their accountant before listing.

What are net proceeds when selling a property?

Net proceeds are the estimated amount a seller may walk away with after common selling costs are deducted from the sale price. These may include mortgage payoff, transfer taxes, brokerage fees, attorney fees, property adjustments, miscellaneous closing charges, and potential tax considerations.

Do Brooklyn sellers pay transfer taxes?

In many Brooklyn real estate transactions, sellers may need to plan for both New York City Real Property Transfer Tax and New York State transfer tax. The exact amount depends on the sale price, property type, and transaction details, so it should be confirmed with an attorney or closing professional.

Do I have to pay capital gains tax when selling my home?

Some sellers may owe capital gains tax if they sell for more than their adjusted basis. However, many homeowners selling a primary residence may qualify for a federal capital gains exclusion if IRS ownership and use requirements are met. Sellers should review this with an accountant or tax advisor before selling.

Who can help me estimate what I may walk away with after selling?

Brooklyn Real Property can help estimate your property's local market value and provide guidance on common seller costs. Your lender can confirm mortgage payoff details, your attorney can review transfer taxes and closing fees, and your accountant can help evaluate capital gains or other tax considerations.

NEXT STEPS

Thinking About Selling?

Before you make your next move, start with a local estimate of your property's value and a clearer understanding of what may affect your net proceeds.

Contact Brooklyn Real Property

- Request a Brooklyn Home Value Estimate
- Talk With a Brooklyn Real Estate Professional
- Find Out What Your Property Could Sell For



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This guide is provided for general informational purposes only and is not intended as tax, legal, accounting, or financial advice. Tax laws, exemptions, rates, forms, fees, and closing requirements can change and may vary based on your personal circumstances, property type, residency status, and transaction details. Sellers should consult a qualified CPA, tax advisor, real estate attorney, and/or closing professional before making decisions.