

COLDWELL BANKER PREMIER REALTY BLUNIVERSITY

LEAVE YOUR MARK

NEGOTIATIONS AND COST OF SALE

FASTSTART 30 HOUR POST LICENSING
SESSION 6

INSTRUCTOR:

MELISSA CHUPA

BRANCH MANAGER OF CENTENNIAL HILLS CAMPUS



COLDWELL BANKER
PREMIER REALTY

Objectives:

- Use good negotiating skills to acquire listings and to present offers and counteroffers
- Demonstrate how to handle multiple offers
- Recognize the necessity of an agency relationship to negotiate
- Describe net proceeds and closing costs
- Show what costs will be and what a seller will net from sale
- Show the costs of purchase and explain loan estimate

Who Do We Negotiate With?

Our Sellers – in what ways?

Our Buyers – in what ways?

Other Agents and their Clients

- Contact prior
- Clean, well-written offer
- Be a problem solver/not a problem creator
- Humanize/personalize – letters/pictures

Negotiating effectively

Basic steps of good negotiation

- Ask great questions
- Listen carefully to the answers
- Silence is golden – let it work for you
- Selling is not telling – ask questions
- Always wait for a response

Reading people - Personality Types

Driver

- Low on emotion
- Makes decisions quickly
- Give them information
- Likes to be in control

Analytical

- Generally low on emotional response
- Generally slow in the decision-making process
- Needs all the information to make a decision
- If pushed they will respond by withdrawing

Amiable

- High emotional responses
- Slow in the decision making process
- Have a high need for approval
- Needs reassurance

Expressive

- Fast in the decision making process
- High in terms of emotion
- Makes decision based more on broad statements versus facts
- Be complementary

Strategies

- Nibbling – getting more after acceptance

- The Higher Authority – attorney, gift giver, etc.

- Bad guy/Good Guy

- Unexpected Auction

- The “would you take?” option

Class exercise in negotiation

Anchoring – setting the bar

Presenting offers and counteroffers

NRS 645.635 Additional grounds for disciplinary action: Unprofessional and improper conduct relating to real estate transactions. The Commission may take action pursuant to NRS 645.630 against any person subject to that section who is guilty of:

1. Offering real estate for sale or lease without the knowledge and consent of the owner or the owner's authorized agent or on terms other than those authorized by the owner or the owner's authorized agent.

2. Negotiating a sale, exchange or lease of real estate, or communicating after such negotiations but before closing, directly with a client if the person knows that the client has a brokerage agreement in force in connection with the property granting an exclusive agency, including, without limitation, an exclusive right to sell to another broker, unless permission in writing has been obtained from the other broker.

3. Failure to deliver within a reasonable time a completed copy of any purchase agreement or offer to buy or sell real estate to the purchaser or to the seller, except as otherwise provided in subsection 4 of NRS 645.254.

4. Failure to deliver to the seller in each real estate transaction, within 10 business days after the transaction is closed, a complete, detailed closing statement showing all of the receipts and disbursements handled by him or her for the seller, failure to deliver to the buyer a complete statement showing all money received in the transaction from the buyer and how and for what it was disbursed, or failure to retain true copies of those statements in his or her files. The furnishing of those statements by an escrow holder relieves the broker's, broker-salesperson's or salesperson's responsibility and must be deemed to be in compliance with this provision.

5. Representing to any lender, guaranteeing agency or any other interested party, verbally or through the preparation of false documents, an amount in excess of the actual sale price of the real estate or terms differing from those actually agreed upon.

6. Failure to produce any document, book or record in his or her possession or under his or her control, concerning any real estate transaction under investigation by the Division.

7. Failure to reduce a bona fide offer to writing where a proposed purchaser requests that it be submitted in writing, except as otherwise provided in subsection 4 of NRS 645.254.

8. Failure to submit all written bona fide offers to a seller when the offers are received before the seller accepts an offer in writing and until the broker has knowledge of that acceptance, except as otherwise provided in subsection 4 of NRS 645.254.

9. Refusing because of race, color, national origin, sex or ethnic group to show, sell or rent any real estate for sale or rent to qualified purchasers or renters.

10. Knowingly submitting any false or fraudulent appraisal to any financial institution or other interested person.

NAC 645.630 Prompt tender of offers. (NRS 645.050, 645.190) A licensee shall promptly deliver:

1. To the seller, every bona fide offer, complete with all terms and conditions of purchase, which he or she obtains.

2. To the purchaser and seller, copies of each acceptance of an offer or counteroffer.

NAC 645.632 Notification of rejection of offer or counteroffer.

1. If a licensee represents a seller in a transaction, and if the seller does not accept an offer within a reasonable time after an offer has been presented to the seller, the licensee shall provide to the buyer or the representative of the buyer written notice signed by the seller which informs the buyer that the offer has not been accepted by the seller.

2. If a licensee represents a buyer in a transaction, and if the buyer does not accept a counteroffer within a reasonable time after a counteroffer has been presented to the buyer, the licensee shall provide to the seller or the representative of the seller written notice signed by the buyer which informs the seller that the counteroffer has not been accepted by the buyer.

Counter Offers

- REMEMBER All counter offers are a rejection of the previous offer/counter offer

Multiple Offers

- Handling multiple offers (NRED's B001: Multiple Offers Guidelines for Licensees)
- Agency Considerations – NRS 645.254 paragraph 2

Costs of sale Module

For the Buyer:

- Prepares Buyers for possible financing options
- Insures Buyer's awareness of financing costs and ability to qualify and provide funds at close of escrow
- Serves as structure for the REPA to fit the Buyers needs
- Useful in negotiating with cooperating brokers
- Instills confidence in clients that you are knowledgeable, profession, accountable, and essential to the transaction

For the Seller:

- Essential when negotiating the Listing and REPA
- Insures Seller's awareness of the closing costs, any buyers costs being paid, and also proceeds due or cash owed at close of escrow
- A structure to determine if the REPA fits the sellers needs or if a counter offer is appropriate
- Instills confidence in clients that you are knowledgeable, profession, accountable, and essential to the transaction

Types of Costs:

Transaction Costs

Escrow Fee
Title Insurance
Commissions
Inspections
Home Warranties
Repairs
CIC Resale Certificate
CIC Demand
CIC Transfer Fee

Finance Costs

Points
Origination Fee
Processing Fee
Document Prep
Underwriting
Credit Report
Appraisal Fee
Flood Certification
Lenders Title Insurance

Pro Rations

Interest
Taxes
Insurance
MIP/PMI
HOA Dues
Sewer Fees
Trash
Other?

DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION

realest@red.state.nv.us

www.red.state.nv.us

MULTIPLE OFFERS GUIDELINES FOR LICENSEES

When Taking the Listing

- ❖ Explain to the client that competing offers may be received.
- ❖ Discuss with the client options for handling multiple offers.
- ❖ The client decides how they want to handle multiple offers.
- ❖ Advise the client that they may wish to seek legal counsel if they do receive multiple offers.

Sellers Make the Decisions – Examples of Options

- ❖ Accept one offer in writing, and reject all other offers in writing.
- ❖ Reject all offers in writing and encourage higher offers.
- ❖ Counter one offer, reject other offers in writing.
- ❖ Delay the decision waiting for another offer informing all parties. Educate the seller that with this option the buyers may withdraw their offer.
- ❖ Alert one or more buyers that they are in a competing offer situation and need to submit their best offer. Reject other offers.
- ❖ Alert all buyers that they are in a competing offer situation.
- ❖ Counter all offers in writing.

Agent Communication

- ❖ Agents should make reasonable efforts to keep cooperating licensees informed of the decision of the client's instructions.

Presenting Offers

- ❖ The representative of the cooperating broker has the right to be present when the offer is presented unless the seller gives written instruction to the contrary.

Confidentiality

- ❖ The cooperating licensee does not have the right to be present at any subsequent discussion or evaluation of the offer by the seller and the listing broker.

NRS 645.253: Each licensee shall not disclose, except to the real estate broker, confidential information relating to a client in violation of NRS 645.254.

NRS 645.254, paragraph 2: A licensee who has entered into a brokerage agreement to represent a client in a real estate transaction ... Shall not disclose confidential information relating to a client for 1 year after the revocation or termination of the brokerage agreement, unless he is required to do so pursuant to an order of a court of competent jurisdiction or he is given written permission to do so by the client.

Revised: 3/24/04

ESTIMATED COSTS AND NET PROCEEDS



Prepared for _____ Price \$ _____

Property Address _____

Terms: ☐ Cash(\$) ☐ Conv. (C) ☐ FHA (F) ☐ VA (V) ☐ Assumption (A) ☐ Seller Financing

		BUYER	SELLER	
	Down Payment		\$AVFC	
	MORTGAGE COSTS			
Non-Recurring Costs	Loan Origination Fee _____ %		VFC	
	Loan Discount Points _____ %			
	Appraisal Fee		VFC	VFC
	Credit Report		AVFC	
	VA Funding Fee (may be financed)		V	
	FHA Mortgage Ins. Premium (may be financed)		F	
	Lender Document Preparation Fee			VF
	Loan Processing/Application Fee		C	VF
	Existing Mortgage Prepayment Fee			
	Assumption Fee		A	A
Recurring Costs	Tax Service		C	VF
	Interest for _____ days @ \$ _____ per day		VFC	
	Taxes _____ months @ \$ _____ per month		VFC	
	Insurance _____ months @ \$ _____ per month		VFC	
	Mortgage Insurance Impound		CF	
	TITLE COSTS			
Non-Recurring Costs	Recording Fee		\$AVFC	\$AVFC
	Escrow Fee		\$AFC	\$AVFC
	ALTA Lender's Policy		VFC	
	Buyer's Closing Costs (when incl. in price)			VFC
	Title Insurance Policy			\$AVFC
	Real Property Transfer Tax (\$5.10 per \$1000)			\$AVFC
	Reconveyance Fee			
	Proration (Interest/Assessments)			
	Setup/Collection Fees		A	A
	Flood Certification		CF	V
	BROKERAGE COMMISSIONS			
	Brokerage Commission			
	Administrative Brokerage Commission	\$375.00		\$375.00
	MISCELLANEOUS COSTS			
	Common Interest Community Document Fee			\$AVFC
	Common Interest Community Transfer Fee		\$AVFC	\$AVFC
	Home Inspection			
	Home Warranty Plan			
	Repairs (Negotiable in purchase agreement)			
	Termite Inspection			VF
	Well/Septic Inspection			
	TOTAL ESTIMATED COSTS			

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

Summary

BUYER

Approximate amount needed to close escrow:

\$ _____ (total from page 1)

Approximate Monthly Payment:

Interest Rate @ _____ % P & I \$ _____

Taxes \$ _____

Insurance \$ _____

PMI / MMI \$ _____

CIC Dues \$ _____

SID / LID \$ _____

Est. Monthly Obligation \$ _____

SELLER

Estimated Sales Proceeds:

Sales Price \$ _____

Current Loan Balance (1st) \$ (_____)

Current Loan Balance (2nd) \$ (_____)

Subtotal \$ _____

Less Estimated Costs \$ (_____)

Less Final Mtg. Pymt. \$ (_____)

Less Seller Financing \$ (_____)

Estimated Proceeds \$ _____

Note: This estimate is prepared in good faith; however, neither the Greater Las Vegas Association of REALTORS® nor Broker(s) or agent(s) assume any responsibility for unintentional errors nor do they guarantee any specific costs or proceeds.

NOTE TO SELLER: Seller financing costs will vary. The above estimates are based upon loan balance figures that have been supplied by you, and do not take into consideration any delinquent payments, prepayment penalty or impound account. Should an existing FHA loan be paid off, the Seller may be entitled to a refund of any unused Mortgage Insurance Premium; FHA charges interest through the end of the month in which the note is paid off.

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER'S ☐ SELLER'S AGENT NAME (Print) _____

COMPANY NAME (Print) Coldwell Banker Premier Realty

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

Glossary of Terms

ALTA Lender's Policy: Insurance that protects the lender against any claims that arise from arguments about ownership of the property. The cost is based on the loan amount.

Appraisal Fee: Fee charged for preparing an appraisal, which gives an estimate of the property's fair market value; an appraisal is generally required by a lender before a loan can be approved.

Assumption Fee: Fee that may be charged when a buyer is assuming a mortgage from a seller.

Brokerage Fee: Compensation payable to the real estate broker(s) for services rendered in the sale of property.

Common Interest Community Document Fee: Fee charged by a common interest community to prepare a resale package according to NRS 116.4109.

Common Interest Community Transfer Fee: An administrative service fee charged by a common interest community to transfer ownership records.

Down Payment: The amount of cash a buyer will pay at the time of closing.

Escrow Fee: Fee charged by an escrow company to facilitate the closing of a real estate transaction.

Existing Mortgage Prepayment Fee: A penalty that may be assessed when paying off a mortgage note before the due date.

Mortgage Insurance Premium (MIP): A monthly payment for mortgage insurance. Mortgage insurance protects lenders against some or most of the losses that can occur when a borrower defaults. Mortgage insurance is required primarily for borrowers with a down payment of less than 20% of the purchase price.

Flood Certification: A fee charged by the title company to determine whether a property is in a flood plain.

Home Inspection: A fee charged by a home inspector who examines the structure and mechanical systems to determine a home's safety, and to notify the buyer of any repairs that may be needed.

Home Warranty Plan: Offers protection for mechanical systems and attached appliances against unexpected repairs not covered by homeowner's insurance. Coverage extends for a specific period of time.

Insurance: Also known as homeowner's or hazard insurance. A policy that combines protection against damage to a dwelling and its contents with protection against claims of negligence or inappropriate action that results in someone's injury or property damage.

Interest: A fee charged for the use of money. At closing, the interest will be prorated until the first mortgage payment due date.

Lender Document Preparation Fee: An administrative fee charged to prepare the actual loan documents for signature.

Loan Discount Points: Discount points are paid to reduce the interest rate on a loan, and are generally calculated to be the equivalent to 1% of the total loan amount.

Loan Origination Fee: The charge for preparing, submitting and evaluating a loan application. The fee compensates the loan officer and is usually calculated as a percentage of the new loan amount.

Loan Processing/Application Fee: The charge for processing a loan and preparing it for underwriting.

Impound: Amounts paid by a borrower as part of the monthly mortgage payment and held in an escrow account to pay insurance (homeowner's and mortgage, if applicable) and taxes to cover those fees when due.

Real Property Transfer Tax (RPTT): (Also known as the Nevada Transfer Tax) A tax required to be paid any time property is conveyed from one owner to another. Rates vary by county. The current rate is \$5.10 per \$1,000 in Clark County.

Non-recurring costs: One time expenses that are paid at the close of escrow.

Proration: A proportional division of a fee or assessment, such as taxes.

Reconveyance Fee: A fee charged by a mortgage holder to convey the property to the owner when a loan is paid off.

Recurring costs: Ongoing expenses.

Recording Fee: A fee charged by the County Recorder to file and record written documents on the public record. The fee is based on the number of pages recorded.

Setup/Collection Fees: An account servicing fee charged by a title company, when there is seller participation in a loan.

Tax Service: A fee charged to set up monitoring of a borrower's tax payments, to prevent tax liens to the lender's detriment.

Taxes: An annual assessment on real property that is paid to the county.

Title Insurance Policy: A homebuyer's policy that protects against any claims that arise from arguments about ownership of the property.

Transaction Fee: A fee that may be charged by a brokerage to cover document protection and storage, transaction coordination, etc.

VA Funding Fee: A charge levied by the Veterans' Administration to insure a VA loan, paid instead of MIP. The amount is calculated as a percentage of the loan amount.

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDSPrepared for Mr. and Mrs. Buyers Price \$ 250,000Property Address 123 Maple StTerms: ☒ Cash(\$) ☐ Conv. (C) ☐ FHA (F) ☐ VA (V) ☐ Assumption (A) ☐ Seller Financing

		BUYER	SELLER	
	Down Payment		\$AVFC	
	MORTGAGE COSTS			
Non-Recurring Costs	Loan Origination Fee _____ %		VFC	
	Loan Discount Points _____ %			
	Appraisal Fee		VFC	VFC
	Credit Report		AVFC	
	VA Funding Fee (may be financed)		V	
	FHA Mortgage Ins. Premium (may be financed)		F	
	Lender Document Preparation Fee			VF
	Loan Processing/Application Fee		C	VF
	Existing Mortgage Prepayment Fee			
	Assumption Fee		A	A
Recurring Costs	Tax Service		C	VF
	Interest for _____ days @ \$ _____ per day		VFC	
	Taxes _____ months @ \$ _____ per month		VFC	
	Insurance _____ months @ \$ _____ per month		VFC	
	Mortgage Insurance Impound		CF	
	TITLE COSTS			
Non-Recurring Costs	Recording Fee		\$AVFC	\$AVFC
	Escrow Fee		\$AFC	\$AVFC
	ALTA Lender's Policy		VFC	
	Buyer's Closing Costs (when incl. in price)			VFC
	Title Insurance Policy			\$AVFC
	Real Property Transfer Tax (\$5.10 per \$1000)			\$AVFC
	Reconveyance Fee			
	Proration (Interest/Assessments)			
	Setup/Collection Fees		A	A
	Flood Certification		CF	V
	BROKERAGE COMMISSIONS			
	Brokerage Commission			
	Administrative Brokerage Commission	\$375.00		\$375.00
	MISCELLANEOUS COSTS			
	Common Interest Community Document Fee			\$AVFC
	Common Interest Community Transfer Fee		\$AVFC	\$AVFC
	Home Inspection			
	Home Warranty Plan			
	Repairs (Negotiable in purchase agreement)			
	Termite Inspection			VF
	Well/Septic Inspection			
	TOTAL ESTIMATED COSTS			

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

Summary

BUYER

Approximate amount needed to close escrow:

\$ _____ (total from page 1)

Approximate Monthly Payment:

Interest Rate @ _____ % P & I \$ _____

Taxes \$ _____

Insurance \$ _____

PMI / MMI \$ _____

CIC Dues \$ _____

SID / LID \$ _____

Est. Monthly Obligation \$ _____

SELLER

Estimated Sales Proceeds:

Sales Price \$ _____

Current Loan Balance (1st) \$ (_____)

Current Loan Balance (2nd) \$ (_____)

Subtotal \$ _____

Less Estimated Costs \$ (_____)

Less Final Mtg. Pymt. \$ (_____)

Less Seller Financing \$ (_____)

Estimated Proceeds \$ _____

Note: This estimate is prepared in good faith; however, neither the Greater Las Vegas Association of REALTORS® nor Broker(s) or agent(s) assume any responsibility for unintentional errors nor do they guarantee any specific costs or proceeds.

NOTE TO SELLER: Seller financing costs will vary. The above estimates are based upon loan balance figures that have been supplied by you, and do not take into consideration any delinquent payments, prepayment penalty or impound account. Should an existing FHA loan be paid off, the Seller may be entitled to a refund of any unused Mortgage Insurance Premium; FHA charges interest through the end of the month in which the note is paid off.

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER'S ☐ SELLER'S AGENT NAME (Print) _____

COMPANY NAME (Print) Coldwell Banker Premier Realty

Client Initials _____ Date: _____

Client Initials _____ Date: _____

Conv. Purchase \$300,000

ESTIMATED COSTS AND NET PROCEEDSPrepared for Mr. and Mrs Buyers Price \$ 300,000Property Address 123 Maple StTerms: ☐ Cash(\$) ☐ Conv. (C) ☒ FHA (F) ☐ VA (V) ☐ Assumption (A) ☐ Seller Financing

		BUYER	SELLER	
	Down Payment		\$AVFC	
	MORTGAGE COSTS			
Non-Recurring Costs	Loan Origination Fee _____ %		VFC	
	Loan Discount Points _____ %			
	Appraisal Fee		VFC	VFC
	Credit Report		AVFC	
	VA Funding Fee (may be financed)		V	
	FHA Mortgage Ins. Premium (may be financed)		F	
	Lender Document Preparation Fee			VF
	Loan Processing/Application Fee		C	VF
	Existing Mortgage Prepayment Fee			
	Assumption Fee		A	A
Recurring Costs	Tax Service		C	VF
	Interest for _____ days @ \$ _____ per day		VFC	
	Taxes _____ months @ \$ _____ per month		VFC	
	Insurance _____ months @ \$ _____ per month		VFC	
	Mortgage Insurance Impound		CF	
	TITLE COSTS			
Non-Recurring Costs	Recording Fee		\$AVFC	\$AVFC
	Escrow Fee		\$AFC	\$AVFC
	ALTA Lender's Policy		VFC	
	Buyer's Closing Costs (when incl. in price)			VFC
	Title Insurance Policy			\$AVFC
	Real Property Transfer Tax (\$5.10 per \$1000)			\$AVFC
	Reconveyance Fee			
	Proration (Interest/Assessments)			
	Setup/Collection Fees		A	A
	Flood Certification		CF	V
	BROKERAGE COMMISSIONS			
	Brokerage Commission			
	Administrative Brokerage Commission	\$375.00		\$375.00
	MISCELLANEOUS COSTS			
	Common Interest Community Document Fee			\$AVFC
	Common Interest Community Transfer Fee		\$AVFC	\$AVFC
	Home Inspection			
	Home Warranty Plan			
	Repairs (Negotiable in purchase agreement)			
	Termite Inspection			VF
	Well/Septic Inspection			
	TOTAL ESTIMATED COSTS			

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

Summary

BUYER

Approximate amount needed to close escrow:

\$ _____ (total from page 1)

Approximate Monthly Payment:

Interest Rate @ _____ % P & I \$ _____

Taxes \$ _____

Insurance \$ _____

PMI / MMI \$ _____

CIC Dues \$ _____

SID / LID \$ _____

Est. Monthly Obligation \$ _____

SELLER

Estimated Sales Proceeds:

Sales Price \$ _____

Current Loan Balance (1st) \$ (_____)

Current Loan Balance (2nd) \$ (_____)

Subtotal \$ _____

Less Estimated Costs \$ (_____)

Less Final Mtg. Pymt. \$ (_____)

Less Seller Financing \$ (_____)

Estimated Proceeds \$ _____

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☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER'S ☐ SELLER'S AGENT NAME (Print) _____

COMPANY NAME (Print) Coldwell Banker Premier Realty

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDSPrepared for Mr. and Mrs. Buyers Price \$ 300,000Property Address 123 Maple St.Terms: ☐ Cash(\$) ☐ Conv. (C) ☐ FHA (F) ☒ VA (V) ☐ Assumption (A) ☐ Seller Financing

		BUYER	SELLER	
	Down Payment		\$AVFC	
	MORTGAGE COSTS			
Non-Recurring Costs	Loan Origination Fee _____ %		VFC	
	Loan Discount Points _____ %			
	Appraisal Fee		VFC	VFC
	Credit Report		AVFC	
	VA Funding Fee (may be financed)		V	
	FHA Mortgage Ins. Premium (may be financed)		F	
	Lender Document Preparation Fee			VF
	Loan Processing/Application Fee		C	VF
	Existing Mortgage Prepayment Fee			
	Assumption Fee		A	A
Recurring Costs	Tax Service		C	VF
	Interest for _____ days @ \$ _____ per day		VFC	
	Taxes _____ months @ \$ _____ per month		VFC	
	Insurance _____ months @ \$ _____ per month		VFC	
	Mortgage Insurance Impound		CF	
	TITLE COSTS			
Non-Recurring Costs	Recording Fee		\$AVFC	\$AVFC
	Escrow Fee		\$AFC	\$AVFC
	ALTA Lender's Policy		VFC	
	Buyer's Closing Costs (when incl. in price)			VFC
	Title Insurance Policy			\$AVFC
	Real Property Transfer Tax (\$5.10 per \$1000)			\$AVFC
	Reconveyance Fee			
	Proration (Interest/Assessments)			
	Setup/Collection Fees		A	A
	Flood Certification		CF	V
	BROKERAGE COMMISSIONS			
	Brokerage Commission			
	Administrative Brokerage Commission			\$375.00
	MISCELLANEOUS COSTS			
	Common Interest Community Document Fee			\$AVFC
	Common Interest Community Transfer Fee		\$AVFC	\$AVFC
	Home Inspection			
	Home Warranty Plan			
	Repairs (Negotiable in purchase agreement)			
	Termite Inspection			VF
	Well/Septic Inspection			
	TOTAL ESTIMATED COSTS			

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

Summary

BUYER

Approximate amount needed to close escrow:

\$ _____ (total from page 1)

Approximate Monthly Payment:

Interest Rate @ _____ % P & I \$ _____

Taxes \$ _____

Insurance \$ _____

PMI / MMI \$ _____

CIC Dues \$ _____

SID / LID \$ _____

Est. Monthly Obligation \$ _____

SELLER

Estimated Sales Proceeds:

Sales Price \$ _____

Current Loan Balance (1st) \$ (_____)

Current Loan Balance (2nd) \$ (_____)

Subtotal \$ _____

Less Estimated Costs \$ (_____)

Less Final Mtg. Pymt. \$ (_____)

Less Seller Financing \$ (_____)

Estimated Proceeds \$ _____ (_____)

Note: This estimate is prepared in good faith; however, neither the Greater Las Vegas Association of REALTORS® nor Broker(s) or agent(s) assume any responsibility for unintentional errors nor do they guarantee any specific costs or proceeds.

NOTE TO SELLER: Seller financing costs will vary. The above estimates are based upon loan balance figures that have been supplied by you, and do not take into consideration any delinquent payments, prepayment penalty or impound account. Should an existing FHA loan be paid off, the Seller may be entitled to a refund of any unused Mortgage Insurance Premium; FHA charges interest through the end of the month in which the note is paid off.

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER ☐ SELLER SIGNATURE DATE TIME ☐ a.m. ☐ p.m.
Name (Print): _____

☐ BUYER'S ☐ SELLER'S AGENT NAME (Print) _____

COMPANY NAME (Print) Coldwell Banker Premier Realty

Client Initials _____ Date: _____

Client Initials _____ Date: _____

ESTIMATED COSTS AND NET PROCEEDS

OFFER COMPARISON

(This document is intended to compare seller proceeds on various offers and is NOT the final Estimated Net Proceeds)



Prepared for _____ Mr. and Mrs. Sellers _____ Price \$ _____ 300,000

Property Address _____ 123 Maple St _____

Terms: Cash(\$) Conv(C) FHA(F) VA(V) Assumption(A) Seller Financing

	OFFER 1		OFFER 2	
Down Payment	30,000 Conv		1.00 VA	
Recording Fee		\$AVFC		\$AVFC
Escrow Fee		\$AVFC		\$AVFC
ALTA Lender's Policy				
Buyer's Closing Costs (when included in price)		VFC		VFC
Title Insurance Policy		\$AVFC		\$AVFC
Real Property Transfer Tax (\$5.10 per \$1,000)		\$AVFC		\$AVFC
Reconveyance Fee				
Proration (Interest/Assessments)				
Setup/Collection Fees		A		A
Flood Certification		V		V
Brokerage Commission				
Administrative Brokerage Commission				
Common Interest Community Document Fee		\$AVFC		\$AVFC
Common Interest Community Transfer Fee		\$AVFC		\$AVFC
Home Inspection				
Home Warranty Plan				
Repairs				
Termite Inspection		VF		VF
Well/Septic Inspection				
TOTAL ESTIMATED SELLER PROCEEDS				

OFFER 1**Estimated Sales Proceeds:**

Sales Price \$ _____
 Current Loan Balance (1st) \$ _____
 Current Loan Balance (2nd) \$ _____
 Subtotal \$ _____
 Less Estimated Costs \$ _____
 Less Final Mortgage Pymt. \$ _____
 Less Seller Financing \$ _____
 Estimated Proceeds \$ _____

OFFER 2**Estimated Sales Proceeds:**

Sales Price \$ _____
 Current Loan Balance (1st) \$ _____
 Current Loan Balance (2nd) \$ _____
 Subtotal \$ _____
 Less Estimated Costs \$ _____
 Less Final Mortgage Pymt. \$ _____
 Less Seller Financing \$ _____
 Estimated Proceeds \$ _____

This estimate is prepared in good faith; however, neither the Greater Las Vegas Association of Realtors nor Broker(s) or agent(s) assume any responsibility for unintentional errors nor do they guarantee any specific costs or proceeds.

NOTE TO SELLER: Seller financing costs will vary. The above estimates are based upon loan balance figures that have been supplied by you, and do not take into consideration any delinquent payments, prepayment penalty or impound account. Should an existing FHA loan be paid off, the Seller may be entitled to a refund of any unused Mortgage Insurance Premium; FHA charges interest through the end of the month in which the note is paid off.



ESTIMATED COSTS / NET PROCEEDS



Prepared for _____ Price \$ _____

Property Address _____

Terms: ☐ Cash ☐ Conv. ☐ FHA ☐ VA* ☐ Assumption ☐ Seller Financing

	BUYER	SELLER
Down Payment		
MORTGAGE COSTS/PRORATIONS		
*Loan Origination Fee %		
Loan Discount Points %		
*Underwriting Fee		
*Lender Document/Preparation Fee		
*Loan Processing/Application Fee		
VA Funding Fee/FHA MIP/Conv. PMI (If paid up front)		
Appraisal Fee		
Credit Report		
*Tax Service		
Flood Certificate		
*Assumption Fee		
Interest for _____ days @ \$ _____ per day		
Taxes _____ months @ \$ _____ per month		
Insurance _____ months @ \$ _____ per month		
Other:		
ESCROW/TITLE COSTS		
Recording/E Recording Fees		
*Escrow Fee		
Owner's Title Insurance Policy		
ALTA Lender's Policy		
Inspection Fee		
Closing Protection Letter		
Endorsements		
*Mobile Notary		
*Reconveyance Fee		
Real Property Transfer Tax (\$5.10 per \$1000 in Clark County)		
Misc. Prorations (Assessments, Utilities, etc.)		
*Assumption Setup/Collection Fees		
Other:		
Other:		
BROKER'S FEES		
*Brokerage Fee to Seller's Broker		
*Brokerage Fee to Cooperating Broker		
*Additional Compensation to Broker		
COMMON INTEREST COMMUNITY (CIC) FEES		
*Capital Contribution: Master 2 nd 3 rd		
*Transfer/ Set Up Fee: Master 2 nd 3 rd		
*Demand Fee: Master 2 nd 3 rd		
*Resale Package: Master 2 nd 3 rd		
Other:		
MISCELLANEOUS COSTS		
Home Inspection		
Misc. Inspections (*Termite, well, septic, roof)		
Home Warranty Plan		
Deposits & Rents		
Other:		
FUNDS RECEIVED/MISC CREDITS		
Earnest Deposit		
Contributions/Repair Credits/Grants		
Other:		
TOTAL ESTIMATED COSTS		

Client Initials _____

Client Initials _____

ESTIMATED COSTS / NET PROCEEDS

Summary

BUYER		SELLER	
Approximate Amount Needed to Close Escrow:	\$ _____ (total from page 1)	Estimated Sales Proceeds	\$ _____
Approximate Monthly Payment		Sales Price	\$ _____
Interest Rate @ _____ %	P&I \$ _____	Current Loan Balance (1 st)	\$ _____
Taxes	\$ _____	Current Loan Balance (2 nd)	\$ _____
Insurance	\$ _____	Other: Loan, Lien, Judgment etc.	\$ _____
PMI/MMI	\$ _____	Subtotal	\$ _____
CIC Dues	\$ _____	Less Estimated Costs	\$ _____
SID/LID	\$ _____	Less Final Mtg. Payment	\$ _____
Est. Monthly Obligation	\$ _____	Estimated Proceeds	\$ _____

Note: This estimate is prepared in good faith; however, neither the Greater Las Vegas Association of REALTORS® nor Broker(s) or agent(s) assume any responsibility for unintentional errors nor do they guarantee any specific costs or proceeds.

FIRPTA: Should the provisions of the Foreign Investment in Real Property Tax Act (FIRPTA) (Internal Revenue Code Section 1445) apply, Seller understands that if Seller is a foreign person then the Buyer must withhold a tax in an amount to be determined in accordance with FIRPTA, unless an exemption applies. Additional information for determining status may be found at www.irs.gov.

NOTE TO SELLER: Seller financing costs will vary. The above estimates are based upon loan balance figures that have been supplied by you, and do not take into consideration any delinquent payments, prepayment penalty or impound account. Should an existing FHA loan be paid off, the Seller may be entitled to a refund of any unused Mortgage Insurance Premium; FHA charges interest through the end of the month in which the note is paid off.

NOTE TO BUYER: Buyer costs will vary. The cost of your loan does not take into consideration any points you may purchase and other loan terms.

***CONSULT WITH YOUR LENDER REGARDING VA NON-ALLOWABLE COSTS AND POSSIBLE REQUIRED INTERESTED-PARTY CONTRIBUTIONS.**

CLIENT NAME: _____ CLIENT NAME: _____

SIGNATURE: _____ SIGNATURE: _____

DATE: _____ TIME: _____ DATE: _____ TIME: _____

AGENT NAME (Print) _____

COMPANY NAME (Print) _____

Client Initials _____

Client Initials _____



ESTIMATED COSTS / NET PROCEEDS

Glossary of Terms

ALTA Lender's Policy: Insurance that protects the lender against any claims that arise from arguments about ownership of the property. The cost is based on the loan amount.

Additional Compensation to Broker: Additional charges or fees a brokerage may have to cover document protection, storage of documents, transaction coordination, additional compensation pursuant to a broker agreement etc.

Appraisal Fee: Fee charged for preparing an appraisal, which gives an estimate of the property's fair market value; an appraisal is generally required by a lender before a loan can be approved.

Assumption Fee: Fee that may be charged when a buyer is assuming a mortgage from a seller.

Assumption Setup/Collection Fees: An account servicing fee charged by a title co. when there is seller participation in a loan.

Brokerage Fee: Compensation payable to the real estate broker(s) for services rendered in the sale of property.

Common Interest Community Capital Contribution: A fee some CIC's charge to contribute to the community funds upon moving into the community.

Common Interest Community Demand Fee: Fee charged by CIC for escrow to obtain current balance of CIC account, assessment amounts and transfer amounts etc. due to the CIC upon closing escrow.

Common Interest Community Resale Package Fee: Fee charged by a CIC to prepare a resale package per NRS 116.4109.

Common Interest Community Transfer Fee: An administrative service fee charged by a CIC to transfer ownership records.

Contributions/Repair Credits/Grants: Other types of credits given on behalf of the purchaser from the seller or others.

Credit Report: The fee charged to run your credit report for your loan application.

Closing Protection Letter: A letter issued from title to the lender to protect against certain losses during the closing process.

Down Payment: The amount of cash a buyer will pay at the time of closing which reduces the loan balance.

Deposits & Rents: When transferring title from a seller who is a landlord to a buyer when a tenant is in place certain deposits & rents held by the investor seller will need to be transferred to the new buyer.

Endorsements: Lender required exclusions or additions to their title policy.

Ernest Deposit: A good faith deposit of money offered with a written offer on a purchase. Once accepted the funds will be deposited into escrow and credited toward the purchaser's down payment or closing costs.

Escrow Fee: A Fee charged by an escrow company to facilitate the closing of a real estate transaction.

Existing Mortgage Prepayment Fee: A penalty that may be assessed when paying off a mortgage note before the due date.

Flood Certification: A fee charged by the title company to determine whether a property is in a flood plain.

FHA Mortgage Insurance (MIP): an upfront fee charged by the Federal Housing Authority based on the amount of the down payment. In addition a monthly payment that will be impounded with your taxes & insurance to insure the mortgage from default.

Funding Fee: A fee charged by a mortgage lender for preparing the closing documents and associated funding paperwork.

Home Inspection: A fee charged by a home inspector who examines the structure and mechanical systems to determine a home's safety, and to notify the buyer of any repairs that may be needed.

Home Warranty Plan: Offers protection for mechanical systems and attached appliances against unexpected repairs not covered by homeowner's insurance.

Inspection Fee: a drive by inspection of the property for title insuring purposes.

Insurance: Also known as homeowner's or hazard insurance. It combines protection against damage to a dwelling and its contents with protection against claims of negligent action that results in someone's injury or property damage.

Interest: A fee charged for the use of money. At closing, the interest will be prorated until the first of the next month.

Lender Document Preparation Fee: An administrative fee charged to prepare the actual loan documents for signature.

Loan Discount Points: Discount points are paid to reduce the interest rate on a loan, and are generally calculated to be the equivalent to 1% of the total loan.

Loan Origination Fee: The charge for preparing, submitting and evaluating a loan application. The fee compensates the loan officer and is usually calculated as a percentage of the new loan amount.

Loan Processing/Application Fee: The charge for processing a loan and preparing it for underwriting.

Misc. Inspections: Other inspections a buyer may authorize including but not limited to termite, well, septic, roof.

Mobile Notary: a notary that has added insurance to notarize various loan and title documents at a location other than the escrow office at the convenience of the client.

Owner's Title Insurance Policy: A homebuyer's policy that protects against any claims that arise from arguments about ownership of the property.

Private Mortgage Insurance (PMI): A monthly payment for mortgage insurance on a conventional loan. Mortgage insurance protects lenders against some or most of the losses that can occur when a borrower defaults. Mortgage insurance is required primarily for borrowers with a down payment of less than 20% of the purchase price. Can be paid in advance with closing costs or impounded monthly with your taxes & insurance.

Real Property Transfer Tax (RPTT): (Also known as the Nevada Transfer Tax) A tax required to be paid any time property is conveyed from one owner to another. Rates vary by county. The current rate is \$5.10 per \$1,000 in Clark County.

Prorations: A proportional division of a fee or assessment, such as taxes.

Reconveyance Fee: A fee charged by a mortgage holder to convey the property to the owner when a loan is paid off.

Recording Fee & E Recording Fee: A fee charged by the County Recorder to file and record written documents on the public record. Also can now be recorded electronically which would be the E Recording Fee.

Taxes: An annual assessment on real property that is paid to the county. Several months will be collected at closing to begin your impound account.

Tax Service: A fee charged to set up monitoring of a borrower's tax payments, to prevent tax liens to the lender's detriment.

Underwriting Fee: A fee charged by a mortgage lender for preparing the loan and associated paperwork.

VA Funding Fee: A charge levied by the Veterans' Administration to insure a VA loan, paid instead of MIP. The amount is calculated as a percentage of the loan amount and can be paid up front with closing costs or added to the mortgage loan.

Client Initials _____

Client Initials _____