

How to Buy a Home

Brooklyn



1 Find an Agent

Look for a licensed real estate agent who is knowledgeable about the neighborhoods you're considering and can help guide your search.

3 Visit Properties

Attend viewings and open houses spanning a range of areas and property types. Now is the time to consider your ideal home's location and amenities.

5 Review

Analyze the contract of sale, building financials, and board minutes with your attorney. It's best to work with an attorney who specializes in New York City co-op and condo sales. Your attorney's job is vital to protecting your interests, and they have an incredible amount of paperwork to review on your behalf. Therefore, you want to select an attorney who is familiar with these transactions.



2 Get Pre-Qualified

Before beginning your search, your first step is to get pre-approved for a mortgage loan (unless you will be paying in cash for the full price of your home). Your Compass agent can connect you to a mortgage broker. Based on your income and credit history, the mortgage broker will determine how much the bank will lend you, which will help you determine the price range for your search.

4 Negotiate

Reach an agreement with the seller on price and terms. Once you have seen a home you like, you can put in an "offer," which is a non-binding agreement to pay a certain price for the home. If your offer is lower than the list price, the seller will likely return with a "counter offer" price, which you can choose to accept, reject, or make another offer. Your Compass agent will provide advice on pricing throughout.

6 Sign Contract and Put Down Deposit

7 Complete Loan Application

Organize an appraisal with your bank.

8 Prepare Your Board Package

(If you are purchasing a townhouse, skip ahead to Step 10.)

Co-ops are run by a board of directors, who will require a board package in order for you to purchase an apartment. A board package generally consists of financial documents including tax returns, bank statements, mortgage commitment from your bank, and letter of reference. After reviewing your package, the board will set an interview date. Your Compass agent will help prepare your board package as well as prepare you for your interview. While condos do not generally require board packages or interviews, you will need to present a purchase application that shows you are financially qualified to purchase the apartment.

9 Board Approves the Purchase

10 Bank Issues Clearance to Close



11 Closing Scheduled by Attorneys



12 Final Walk-Through with Your Agent

13 Closing

Congratulations, you are now a home owner!

Key Terms

APPRAISAL

Assessment of the property's market value, typically done for the purpose of obtaining a mortgage.

COMMON CHARGE

Monthly maintenance fee paid by condo owners. Property taxes are not included in the common charge.

CONTRACT DEPOSIT

A percentage of the agreed-upon purchase price paid by the buyer at the time of signing the contract.

CO-OP SHAREHOLDER

Owner of a co-op unit, since what they are actually purchasing are shares of stock in the co-op corporation.

DEBT-TO-INCOME RATIO

The percentage of an individual's monthly gross income relative to the amount of debt owed.

ESCROW DEPOSIT

Deposit of funds to be transferred upon completion of the deal.

FINANCIAL STATEMENT

A formal record of all your financial assets, debts, and liabilities.

FLIP TAX

A tax levied by a co-op and paid by the seller when a sale is made. They are designed to generate funds for the co-op's cash reserve.

MAINTENANCE FEE

Fees paid by co-op shareholders that contribute to building operations.

LIEN SEARCH

A background check on the property and the seller to ensure there are no outstanding debts or claims upon the property.

POST-CLOSING

The amount of cash the buyer must have on hand after deducting the down-payment and closing costs.

PRE-APPROVED

Advanced approval from a bank or other lending institution for a home mortgage.

PRE-QUALIFIED

Potential buyers provide an overall financial picture and mortgage brokers provide an estimate of what level of loan you will likely be pre-approved for.

RECORDING FEE

A fee paid to the local government to officially report a sale of a home; usually paid by the buyer.

TAX ABATEMENT

Newly constructed buildings sometimes receive abatements so that owners do not have to pay taxes on their units for a specified amount of time.

SPONSOR

The entity responsible for developing a new building or converting an existing rental building to a condo or co-op.

	Co-op	Condo
Cost	Typically cheaper.	Typically more expensive.
Supply	75% of NYC's housing. Built before 1980s.	25% of NYC's housing. Built after 1980s.
Culture	Most units are owner-occupied. More controlled and stable.	Mix of owners and renters. More laid back.
Approval Process	Very strict and thorough. Personal interview required.	Less rigorous—no interview. Quicker to approve.
Ownership Type	Indirect. Stock certificate and lease.	Direct. Buyer owns real property.
Monthly Payments	Maintenance fees. Amount includes taxes.	Common charges. Taxes paid separately.
Tax Benefits	Some tax deductions can be taken for owner's share.	Tax abatement programs keep taxes low for about 10 years.
Renting Out Your Unit	Limited, if allowed at all.	Easy and unrestricted.
Re-Selling	New buyer must be approved. Seller must pay flip tax.	New buyer can rarely be denied.
Investor Friendly	Rarely.	Yes.



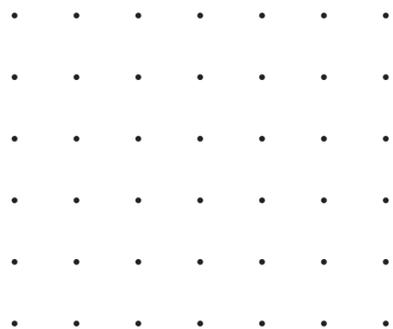


Owning a home in Brooklyn

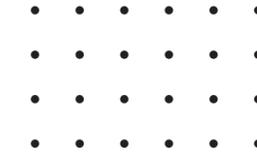


New York City is one of the most diverse and competitive real estate markets in the world, and we understand that making the decision to buy a home here can be a particularly overwhelming experience. From mastering the difference between condos and co-ops, to planning for closing costs, to approaching the board approval process, there's a lot to learn.

That's why we've created this buyer's guide— to set you on the right course to owning a New York City home of your own.



Compass is a technology-driven real estate platform dedicated to creating a seamless and intelligent home buying, selling, and renting experience. Combining the country's top agents, proprietary market insights, and integrated mobile and web technologies, Compass is developing the future of real estate decision-making.



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Buyer's Guide Brooklyn



With more than 30 years combined experience and over \$350M in sales, the Mendelis Saliba Team is devoted to providing impeccable customer service, a second- to-none level of professionalism and in-depth market acumen to each of their clients.

Comprised of long-time friends Lori and Clare -- both native New Yorkers and Fordham University graduates -- the team has garnered industry recognition and are experts in townhouse, condo and coop transactions throughout Brooklyn and Manhattan. Both have an unmatched attention to

detail and strive to create a seamless process for sellers and buyers alike while valuing the personal connection above all.

The newest member to join the team is Lauren Fernandes. Lauren brings over 15 years of experience in digital advertising and client service. She uses her skills in client management to help her buyers through the home purchasing process so that they can acquire their own piece of NYC, too.



COMPASS

