



Seller's Projected Closing Costs-Fractional

Real estate commission: Commonly 10% for Fractional and Timeshare listings

Stamp taxes: (based on purchase price on a graduated scale)

Note: They used to be paid entirely by the Seller. Now it is common to stipulate on the listing that Buyer is to pay at least half. If Buyer is splitting stamp tax Seller pays 1/2 of stamp tax listed here depending on sale price:

\$0- \$350,000 is figured at 2% (so ½ would be 1%)

\$350,001 - \$1,000,000 is figured at 2.5% (so ½ would be 1.25%)

\$1,000,001 - \$5,000,000 is figured at 3% (so ½ would be 1.5%)

\$5,000,000 + is figured at 3.5% (so ½ would be 1.75%)

Property Taxes: They are billed in arrears so the previous year must be paid, escrowed, or credited to buyer at closing, as well as crediting a prorated amount for current year which will appear on the settlement statement.

Attorney fees: An attorney is necessary to prepare deed, obtain tax letter, get a release of mortgage if applicable, prepare and/or review closing statement and/or documents & to represent seller at closing. Fees are determined by selection of Attorney. (Usually \$200+/hour, or variable based on a specified % of purchase price) Some Attorneys are now offering a flat rate for Fractional and Timeshare transactions. (Usually ranging from \$750-\$1000)

Other: Association dues and assessments, etc are generally paid by the party whom enjoys use of the fractional time period in the closing year, though this is negotiable. If you have already paid the dues etc. for the closing year and the fractional time period has not occurred yet you may be entitled to a credit at closing.

Helpful Tips: Reserve your time period well in advance, most perspective buyers want to ensure that they will have access to their unit for the upcoming rotation. Provide as much documentation upfront as possible; i.e. copies of: Deed, Paid Tax receipt, Reservation confirmation and any income/P&L information available. This ensures there are no hold ups or surprises at closing