

HARKOV LEWIS NYC

PURCHASER'S GUIDE

Working for you

As one of the most renowned and respected real estate teams in the US, we strive to deliver an experience as exceptional as the properties we represent.

Our expert team has well over 100 years of experience in the New York City market and our large deal volume allows us to leverage real-time insights well ahead of conventional updates and market reports.

We use this knowledge to empower our clients, combining hard data with the warmth of human connection, to build long-lasting relationships based on honesty, integrity and respect.

**“Working with Ari and
the entire Harkov Lewis team
was an unexpected joy.”**

ROXANNE M, SELLER

[VIEW MORE OF OUR TESTIMONIALS HERE](#)



The Harkov Lewis Team

Our team, made up of over 20 members, includes a robust and specialized operations and marketing department that handles all administrative, research, marketing, and operational needs. This back-end support covers all aspects of the purchasing process from research through to board package preparation and submission. Allowing our sales agents to work more efficiently on your behalf by focusing their energies exclusively on helping you source and secure the best home for you with the most attractive terms possible.

[WATCH OUR TEAM FILM HERE](#)

With extensive contacts in the city we provide access to highly vetted teams of vendors including:

Lenders
Real Estate Attorneys
Inspectors
Homeowners Insurance Companies & Brokers
Painters
Handymen
Contractors & Architects
Movers

“The team’s professionalism and integrity are bar none, and we would recommend them without reservations to real estate rookies and veterans alike.”

R.C. & A.C, BUYERS



Empowering your Search

Our internal database captures all listings in the RLS (shared listing system between Real Estate Board of New York firms) as well as those on Streeteasy.com, and is the most comprehensive property database for NYC.

We also have access to coming soon, future, and off-market listings that have been entered into the system by other brokers but have not yet hit the public market.

We will set up searches for you to receive updates at a frequency of your choosing with new listings and price changes within your search parameters, sharing these immediately once they have hit our system and often before they are available online.



Why work with a Buyer's Agent?

COMMISSIONS

Commissions are paid by the seller, not the purchaser in NYC and split 50/50 between the seller's agent and buyer's agent. On a "direct" deal where the purchaser is unrepresented, the commission will sometimes be reduced by 1-2% at maximum. As experienced buyer specialists, we are confident we can negotiate 1-2% better given our extensive experience and expertise.

REPRESENTATION

In the largest and most important purchase you will likely ever make, it is crucial to have representation and an advocate working for you. If you go directly to the selling agent you are un-represented – the seller's agent represents the seller's interests.

EXPERTISE

With 100+ years of collective real estate experience, our insight and understanding of the NYC market has depth and authority. Let us put our years of experience and earned knowledge to work for you.

TIME SAVED

As experienced buyer specialists, we can save you a tremendous amount of time searching for and identifying suitable properties, arranging showings, conducting research, coordinating the process, managing communications with your attorney, lender, the managing agent, and seller's agent, putting together the coop or condo application, and more. Spend time on your own career or enjoying life and let us provide this concierge service for you.

REPUTATION

Our business is based upon word of mouth and referrals – our reputation is paramount. This is a long term career for us and we pride ourselves on not being 'typical' brokers. Our agents are highly educated, specialized, experienced, and dedicated. With an unimpeachable reputation both with our clients and within the industry, buyers represented by the Harkov Lewis Team go to the front of the queue in a competitive market.

Why work with a Buyer's Agent?

PROFESSIONALS

You use an accountant to handle your taxes, a doctor to diagnose your ailments, and an attorney to manage your legal challenges. Why should real estate be any different?

COMPETITIVE EDGE

In a market as competitive as NYC, having the right broker on your side that can help structure and present your offer in the best possible light can be the difference between winning and losing out on your dream home.

QUARTERBACK OF YOUR TEAM

We think of ourselves as quarterbacks, helping you put together and manage your real estate team (attorney, mortgage banker, contractor, etc) – bringing everyone to the finish line and closing on your home.

STEER CLEAR OF BAD DEALS

We have lost track of the number of times we have met with a seller who made a bad purchase because they were either not advised, or improperly advised, and then have to help them unwind a poorly performing investment. We regularly advise our clients not to do deals that we do not believe are in their best interest.

Forms of ownership in NYC

CONDOMINIUMS

The ownership of a condominium apartment is similar to the ownership of real property. A purchaser of a condo takes title by deed for not only the apartment but also a percentage of the building's common areas. Each owner pays property taxes to the city and common charges to the Board of Managers for their individual units. Real estate taxes may be deductible, however common charges are not. The Board of Managers is elected by the condo residents to oversee building operations and enforcement of the "house rules." Condominium transactions include a "right of first refusal" by the Board within 20-30 days from receipt of a completed application.

COOPERATIVES

Cooperatives, or co-ops, comprise a significant portion of New York City's real estate market. When purchasing a cooperative apartment, one purchases shares of stock in a corporation that owns the building and usually the land beneath. A stock certificate representing the purchased shares and a proprietary lease giving the right to occupy the apartment are conveyed at closing. The size of the apartment and its amenities determine the number of allocated shares, which therefore determines the amount of maintenance. Maintenance fees cover the operating costs of the building such as upkeep of common areas, staff salaries, as well as payment of real estate taxes and interest on any underlying building mortgage.

A Board of Directors, whose duties are to conduct the business of the corporation and oversee the management company of the building, is elected from among the shareholders. Typically, the Board or an interview committee reviews the application of each prospective shareholder or leasee and presides over a personal interview prior to approving any purchase or lease. The Board has the right to approve or deny any applicant without cause. Most co-ops require shareholders to occupy their apartments as primary residences; however, depending on the building, there may be an allowance for subletting.

Forms of ownership in NYC

TOWNHOUSE/HOUSE

A purchaser of a townhouse or house receives “fee simple” ownership of real property. The owner is responsible for payment of real estate taxes and expenses such as but not limited to water, electric, gas, as well as insurance. When owning your home, all equipment, repairs and upkeep such as roof, heating/cooling, windows, outdoor structures, hot water, electrical systems, video monitor and anti-theft systems are maintained by the homeowner, unless a property manager is hired. In addition to single family townhomes, some properties are designated as multi-dwelling (i.e. 2-4 family) homes. Homes that are larger than 4 units are considered a commercial purchase.

COND-OPS

By definition, a cond-op is a residential cooperative where the ground floor (typically commercial units) is converted into a separate condominium owned by either an outside investor or the original sponsor of the building. Because the owner of the condo is not the owner of the co-op, the co-op does not receive the benefit from the condo income. Cooperatives that operate in the style of a condominium are commonly yet inaccurately referred to as cond-ops.

Differences in Ownership Structure

	CONDO	CO-OP	TOWNHOUSE
OWNERSHIP TYPE	Deed / Title	Stock Certificate	Deed / Title
REQUIRED MONTHLY COSTS	Common Charges, RE Taxes, Homeowners Insurance	Maintenance, Homeowners Insurance	RE Taxes, Homeowners Insurance, Water/Sewer Heat/Hot Water
FINANCIAL REQUIREMENTS	Funds to Close	Debt to Income Requirements, Post-closing Liquidity	Subject to Bank Approval
DUE DILIGENCE	Offering Plan, Building Financials, Meeting Minutes, Management Questionnaire	Offering Plan, Building Financials, Meeting Minutes, Management Questionnaire	Inspection of Mechanicals, Roof, Electric, Property and Land
APPROVAL PROCESS	Purchase Application	Board Package and Interview.	Property Inspection and Bank Approval (if applicable)
RENTING OUT / SUBLETTING	At Owner's will subject to technical approval	Subject to Board Approval and might have a time limit and board interview required	At Owner's will but subject to what certificate of occupancy allows
APPROX CLOSING TIME FRAME	2-3 Months from Contract Signing	3-4 Months from Contract Signing	1-2 Months, depending on financing and seller time frame
POTENTIAL ADDITIONAL COSTS	Capital Contribution	Flip Tax	Inspection and Survey
CLOSING COSTS	Ranges from 3-7% of purchase price	Substantially less than that of Real Property	Ranges from 3-7% of purchase price

“If you are looking to buy or sell an apartment in Manhattan, I highly recommend Warner’s services, without reservation.”

J.J, BUYER & SELLER



Estimated Residential Condominium Closing Costs in New York City

FOR THE PURCHASER

OWN ATTORNEY	Approx. \$2,750-\$5,000+, varies as negotiated																		
- Lien search	\$350																		
- Misc. Title charges	Approx. \$500																		
- Title insurance	Consult your Attorney																		
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MANAGING AGENT FEES																			
- Application	\$500+ or as determined by the Condominium																		
- Closing	\$250+																		
- Credit report (if required)	\$50-\$100/per applicant																		
- Move-in deposit (refundable)	\$500-\$1000, or as determined by the Condominium																		
- Move-in fee (non-refundable)	\$250-\$750, or as determined by the Condominium																		
- Miscellaneous charges by managing agent	Varies																		
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BANK FEES (IF FINANCING)																			
- Application	\$500-\$1,500																		
- Credit Report	\$50-\$100/per applicant																		
- Appraisal	\$750-\$1,500																		
- Mortgage Title Insurance	Consult your Lender																		
- Mortgage Recording Tax	1.8% of entire mortgage on loans under \$500,000; or 1.925% of entire mortgage on loans of \$500,000 or more																		
- Short Term Interest	Prorated on a per diem basis up to one month																		
- Escrows (prepaid taxes and insurance)	Approx. 3+ months of property taxes and insurance																		
- Bank Attorney	\$1,000-\$2,000																		
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COMMON CHARGE ADJUSTMENT	Prorated on a per diem basis up to one month																		
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PROPERTY TAX ADJUSTMENT	Reimbursement of Seller's pre-paid property tax																		
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NEW YORK STATE MANSION TAX (NOT CUMULATIVE)	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Price</th> <th style="text-align: left;">Rate</th> </tr> </thead> <tbody> <tr> <td>\$1,000,000-\$1,999,999</td> <td>1.0%</td> </tr> <tr> <td>\$2,000,000-\$2,999,999</td> <td>1.25%</td> </tr> <tr> <td>\$3,000,000-\$4,999,999</td> <td>1.50%</td> </tr> <tr> <td>\$5,000,000-\$9,999,999</td> <td>2.25%</td> </tr> <tr> <td>\$10,000,000-\$14,999,999</td> <td>3.25%</td> </tr> <tr> <td>\$15,000,000-\$19,999,999</td> <td>3.50%</td> </tr> <tr> <td>\$20,000,000-\$24,999,999</td> <td>3.75%</td> </tr> <tr> <td>\$25,000,000 or more</td> <td>3.90%</td> </tr> </tbody> </table>	Price	Rate	\$1,000,000-\$1,999,999	1.0%	\$2,000,000-\$2,999,999	1.25%	\$3,000,000-\$4,999,999	1.50%	\$5,000,000-\$9,999,999	2.25%	\$10,000,000-\$14,999,999	3.25%	\$15,000,000-\$19,999,999	3.50%	\$20,000,000-\$24,999,999	3.75%	\$25,000,000 or more	3.90%
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APARTMENT INSURANCE OR HOMEOWNER'S POLICY REQUIRED BY LENDER	Varies. Consult Insurance Agent																		
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CAPITAL CONTRIBUTION	Certain Condominiums, formula varies																		
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All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors.
No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own Counsel
and refer to transaction details for verification of all costs.

Additional Estimated Closing Costs for New Development/Sponsor Sales

FOR THE PURCHASER		
SPONSOR'S ATTORNEY FEES	\$2,500+	
SPONSOR'S NYC TRANSFER TAX*	Residential (1-3 Family House, Individual Condo or Co-op Unit): \$500,000 or less = 1% of purchase price Greater than \$500,000 = 1.425% of purchase price All Other Transfers: \$500,000 or less = 1.425% of purchase price Greater than \$500,000 = 2.625% of purchase price	
SPONSOR'S NEW YORK STATE TRANSFER TAX*	Price \$2,999,999 and less \$3,000,000 or more	Transfer Tax 0.40% 0.65%
RESIDENT MANAGER (SUPER)'S UNIT	If applicable, calculated based on Purchaser's percentage of common interest in the building	
WORKING CAPITAL FUND CONTRIBUTION	One-time fee of approximately 1 to 2 months of common charges	

*The transfer taxes are calculated and added to the purchase price (for tax purposes only) and then recalculated based on the higher price (may trigger Mansion Tax). These may be negotiable.

All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors. No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own Counsel and refer to transaction details for verification of all costs.

Estimated Residential Co-op Closing Costs in New York City

FOR THE PURCHASER

OWN ATTORNEY Approx. \$2,750-\$5,000+, varies as negotiated
 - Lien Search \$350

MANAGING AGENT FEES

- Application \$500+, or as determined by the Co-op
 - Closing \$250+
 - Credit Report \$50-\$100/per applicant
 - Move-in Deposit (refundable) \$500-\$1000, or as determined by the Co-op
 - Move-in Fee (non-refundable) \$250-\$750, or as determined by the Co-op
 - Recognition Agreement Review \$250
 - Miscellaneous charges by Managing Agent Varies

BANK FEES (IF FINANCING)

- Application \$500-\$1,500
 - Credit Report \$50-\$100/per applicant
 - Appraisal \$750-\$1,500
 - Short Term Interest One month max (prorated for month of closing)
 - UCC-1 Filing \$75-\$100
 - Bank Attorney \$850-\$1,750

MAINTENANCE ADJUSTMENT

Approx. 1 month (prorated for month of closing)

	Price	Rate
NEW YORK STATE MANSION TAX (NOT CUMULATIVE)	\$1,000,000-\$1,999,999	1.0%
	\$2,000,000-\$2,999,999	1.25%
	\$3,000,000-\$4,999,999	1.50%
	\$5,000,000-\$9,999,999	2.25%
	\$10,000,000-\$14,999,999	3.25%
	\$15,000,000-\$19,999,999	3.50%
	\$20,000,000-\$24,999,999	3.75%
	\$25,000,000 or more	3.90%

APARTMENT INSURANCE OR HOMEOWNER'S Varies. Consult Insurance Agent
 POLICY REQUIRED BY LENDER

FLIP TAX Certain Co-ops, formula varies

All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors.
 No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own Counsel
 and refer to transaction details for verification of all costs.

Additional Estimated Closing Costs for New Development/Sponsor Sales

FOR THE PURCHASER		
SPONSOR'S ATTORNEY FEES	\$2,500+	
SPONSOR'S NYC TRANSFER TAX*	Residential (1-3 Family House, Individual Condo or Co-op Unit): \$500,000 or less = 1% of purchase price Greater than \$500,000 = 1.425% of purchase price. All Other Transfers: \$500,000 or less = 1.425% of purchase price Greater than \$500,000 = 2.625% of purchase price	
SPONSOR'S NEW YORK STATE TRANSFER TAX*:	Price \$2,999,999 and less \$3,000,000 or more	Transfer Tax 0.40% 0.65%
RESIDENT MANAGER (SUPER)'S UNIT	If applicable, calculated based on Purchaser's percentage of common interest in the building	
WORKING CAPITAL FUND CONTRIBUTION	One-time fee of approximately 1 to 2 months of common charges	

All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors. No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own Counsel and refer to transaction details for verification of all costs.

Estimated Residential Townhouse/House Closing Costs in New York City

FOR THE PURCHASER

OWN ATTORNEY	Approx. \$3,000-\$5,000+, varies as negotiated	
- Misc. Title Charges	Approx. \$500	
- Title Insurance	Consult your Attorney	
- Deed Recording Fee	\$250-\$750	
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BANK FEES (IF FINANCING)		
- Application	\$500-\$1,500	
- Credit Report	\$50-\$100/per applicant	
- Appraisal	\$750-\$2,500	
- Mortgage Title Insurance	Consult your Lender	
- Mortgage Recording Tax	1.8% of entire mortgage on loans under \$500,000; or 1.925% of entire mortgage on loans of \$500,000 or more	
- Short Term Interest	One month max (prorated on a per diem basis for month of closing)	
- Escrows (prepaid taxes and insurance)	Approx. 3+ months of property taxes and insurance	
- Bank Attorney	\$1,000-\$2,000	
<hr/>		
PROPERTY TAX ADJUSTMENT	Reimbursement of Seller's pre-paid property tax	
<hr/>		
NEW YORK STATE MANSION TAX (NOT CUMULATIVE)	Price	Rate
	\$1,000,000-\$1,999,999	1.0%
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	\$15,000,000-\$19,999,999	3.50%
	\$20,000,000-\$24,999,999	3.75%
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<hr/>		
HOMEOWNER'S POLICY REQUIRED BY LENDER	Annual amount of homeowner's insurance premium	
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All costs are estimated, and will vary based on transaction details, changes in rates and taxes, and other factors.
No representation is made as to the accuracy of these estimates. Parties to transaction must consult their own Counsel
and refer to transaction details for verification of all costs.

“Kerrie was amazing to work with!
Was great about maximizing how many places
we saw, was able to answer any questions I had,
and really took into consideration what
I was looking for!”

RAJVEER B, BUYER



Additional Guidance

FINANCING AND PRE APPROVAL LETTERS

If you intend to finance some of your purchase, obtaining a pre-approval letter early on in the process is imperative for the following reasons.

If there are any issues, concerns, or surprises with regard to credit or any other items you can clear these up right away.

You'll need to confirm the amount of financing you are able to obtain to verify your budget so you don't invest valuable time and energy and/or fall in love with a property you can't afford.

The NYC market moves extremely quickly and if you wait to obtain a pre-approval until you've found a property you want to bid on you may lose the property while waiting for your letter.

Sellers will not take an offer seriously without a pre-approval letter. Please let us know if you would like recommendations for mortgage bankers / brokers.

NYC REAL ESTATE ATTORNEYS

To purchase a property in NYC you will need a NYC-based real estate attorney who specializes in handling residential transactions. Out of town attorneys, non-real estate attorneys, and those who typically handle other types of property transactions, often miss important details, misinterpret standard practices, cause unnecessary delays, and do not have the experience to handle the particular issues that can and often arise in the purchase of residential property in New York City. NYC residential real estate attorneys typically charge a flat fee ranging from \$3,000 - \$5,000 per transaction depending on the size and complexity of the transaction. Please let us know if you would like recommendations for a real estate attorney.

The *Buying* Process

OUR STEP-BY-STEP GUIDE

Obtain pre-approval letter if financing or proof of funds statement if paying cash.

Determine search parameters – location, budget, size, property type(s), etc. & set up search with email feed.

Initial listings review.

Sunday open houses & weekday appointments.

Identify property of interest, run valuation, review building, and prepare offer with supporting documents.

Negotiate offer and agree on terms.

Seller's agent will draft deal sheet with all transaction details and transmit to attorneys.

Contract review / due diligence / inspection
– typically 1-2 weeks.

Contract signing & deposit submission
(typically 10% of purchase price).

Board package preparation and submission
if purchasing in a condo or co-op.

Board interview if purchasing in a co-op.

Approval!

Bank clear to close, if financing.

Attorneys schedule closing.

Final walk through.

CLOSING!

**“You guys were exceptional.
We were super impressed with your
professionalism and responsiveness
through the whole process.”**

P. RAPPAPORT & K SOONG, BUYERS



Final *walk through* checklist

1 of 2

The final walk through ensures the home is in the same condition as when you signed the contract (minus normal wear and tear) and confirms any punch list / inspection issues that were agreed upon have been addressed.

WHAT TO BRING

Phone Charger

Tape Measure (if you want)

ELECTRICAL OUTLETS

Make sure faceplates are installed properly.

Ensure light fixtures are installed and in working condition.

KITCHEN

Turn on dishwasher.

Turn on oven.

Turn on every burner on the stove.

Check vent and lights.

Test microwave.

Check each kitchen cabinet ensuring hinges/drawers are operable.

Run water in sink until hot.

Test garbage disposal.

Run washer/dryer.

Final *walk through* checklist

2 of 2

BATHROOM(S)

Run water from all faucets to test for heating time, water pressure and any leaking under cabinets or around caulking.

Flush all toilets.

Check all tiles for breaks and cracks.

Check caulking everywhere to make sure it is neat and clean.

HEATING & COOLING UNITS

Test all A/C units and heating units and/or test the HVAC system by turning the thermostat to high for heat and low to cool.

FLOORS & WALLS

Check floors are even and properly installed and finished with no stains, marks, or loose boards.

Check walls for even paint ensuring there are no dents, scratches, discoloration or signs of water damage.

MISCELLANEOUS

Ensure doorbell, intercom and alarm systems are functioning properly.

Check that there is a smoke detector.

Check that windows open and close easily and are sealed properly.

Open and close all doors making sure they don't stick or scrape the floor.

“Ari is a consummate professional. He approaches his work with great attention to detail and an impressive level of integrity. We wish all real estate agents would conduct their business like him.”

LAUREN & SERGIO M, BUYERS



THE HARKOV LEWIS TEAM

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TEAM PRINCIPALS
ARI HARKOV & WARNER LEWIS