

Sellers - Preparing for Your Closing Day

We are getting everything ready for your closing, and we want to make sure the process is smooth. Here are a few important things to keep in mind before the big day:

✔ Mortgage & Home Equity Line of Credit (HELOC) Payoff

If you have a mortgage on the property, remember that interest accrues daily from your last payment until the lender receives the payoff. Additional charges such as late fees, escrow deficits, or prepayment penalties may also apply. The balance on your statement is not your final payoff amount.

To minimize extra interest costs, mortgage payoffs are sent via wire transfer or overnight mail for tracking and secure delivery. There is a \$100 fee per mortgage for this service. Once paid off, a Mortgage Discharge must be recorded at the Registry of Deeds. The cost for obtaining and recording the discharge is \$100 per mortgage and is your responsibility.

Please Note: Lines of credit (HELOC) are considered mortgages on the property, even if you have a zero balance. We will need your Line of Credit account information in order to close the account at closing.

✔ Real Estate Taxes

Taxes in New Hampshire are generally paid semi-annually in July and December. The tax period is a fiscal year and not a calendar year and runs from April 1st to March 31st of the next year. The July tax bill covers 4/1 to 9/30, and the December bill covers 10/1 to 3/31. Further, the July tax bill does not reflect the actual year's tax rate. The tax rate is determined in October and reflected in the December bill every year. The July tax bill is one-half of the previous year's taxes, and if your closing happens prior to the determination of the year's tax rate, there may be further proration between buyer and seller in December.

In Maine Taxes are generally paid semi-annually in September and March. The Tax period is a fiscal year and not a calendar year and runs from July 1st to June 30th of the next year. The tax rate is determined in late summer or early fall, between July and September.

The settlement statement (closing Disclosure or ALTA) will show the prorated tax amounts as a credit or debit to the buyer and you the seller.

✔ Deed Preparation & Transferring Title

You must provide a new deed transferring ownership to the buyer. If you do not have an attorney handling this, we are happy to assist for a \$250 fee and reviewed by outside counsel.

All title-holding individuals must attend closing, including their spouses. If you are unable to attend, please notify us right away so we can discuss alternative arrangements.

If the property is owned by an estate or if one of the owners of record is deceased, please be prepared to bring an original death certificate to closing upon request. The certificate will be returned to you after recording.

Trust & LLCs

If your property is owned in the name of a Trust or LLC, please note that proceeds will be made out to the record owner of the property. If you haven't already done so, you may need to open an account in the name of your Trust or LLC.

Additionally, we will need a copy of your Trust documentation before closing.

Transfer Tax

When buying or selling real estate in New Hampshire or Maine, you'll encounter a real estate transfer tax (also called transfer stamps). This state-imposed fee is required on all property conveyances and is split between the buyer and seller at closing.

In New Hampshire, the real estate transfer tax is \$15.00 per \$1,000 of the sales price. This cost is shared equally between the buyer and seller. Example: A property selling for \$200,000 incurs a \$3,000 transfer tax, with \$1,500 paid by the buyer and \$1,500 paid by the seller.

In Maine, the transfer tax is \$4.40 per \$1,000 of the property's selling price, also split evenly between buyer and seller. Example: A home sold for \$200,000 results in a \$880 transfer tax, with \$440 paid by the buyer and \$440 paid by the seller.

Transfer tax, as with all fees, will be shown on the final Settlement Statement and subtracted from your proceeds. We will handle all disbursements. You will not need to write personal checks.

Public Water & Sewer

If your property has public water or sewer service, we will request a final reading to ensure any remaining charges are paid at closing.

Condominiums

If you are selling a condo, we will need a Certificate of No Lien, which confirms that all condominium fees are paid up to date. This document must be obtained from your Condominium Association or management company before closing.

Most associations charge a fee for this service, which varies. The fee will be added to your Settlement Statement and collected at closing.

 **Mobile Home Units (in a Park)**

If you are selling a home in a Mobile Home Park, we will contact the Mobile Home Park or management company to collect rent information. The park or management company may charge a fee for this service. The fee will be added to the Settlement Statement and collected at closing.

 **Maine Real Estate Withholding**

Maine law requires buyers to withhold 2.5% of the purchase price from nonresident sellers on real estate transactions of \$100,000 or more. Certain exemptions apply, such as if the seller provides a residency affidavit or obtains a certificate of exemption from Maine Revenue Services. More information can be found here:

<https://www.maine.gov/revenue/faq/real-estate-withholding#q1>

If you have any questions or need further clarification, don't hesitate to reach out email: info@brokerstitlenh.com phone: 603-434-1414. We're here to help make your closing process as seamless as possible!