

INFORMATION SHEET FOR PURCHASERS

Thank you for contacting us about representing you in connection with your purchase of a co-operative apartment or a condominium unit. This information sheet briefly describes the services which we will provide in representing you. We understand that New York real estate can be complicated and intimidating for most purchasers and we strive to simplify the process for our clients while at the same time providing thorough and individualized legal services to each client.

Negotiating a Contract of Sale

We will negotiate a contract of sale with the seller's attorney. It is our customary practice to include a rider to the contract providing additional protections for you as purchaser. Of course, each deal is unique and often requires different legal services.

Conducting Due Diligence

Before the contract is signed, we will perform due diligence on your behalf. This involves reviewing the offering plan and any of its amendments, the bylaws and recent financial statements of either the cooperative corporation or the condominium association, and minutes of the past two years' board meetings. Condominium purchasers should have an engineer inspect the unit. Due diligence is critical in order to discover any facts, such as financial problems, structural issues or difficult neighbors, which might impact your decision to purchase or the price you are willing to pay. It is essential that all the due diligence be conducted before you sign a contract.

Obtaining Financing and Board Approval

Once a contract is signed, you will apply for financing, if necessary. For a co-op, you must obtain board approval and will likely need to be interviewed by the members of the board.

Reviewing Title Report or Liens

For a condominium, we will order and review a title search report from a title company to learn of any judgments, mortgages or liens recorded against the unit. For a co-op, we will order and review a lien search report to learn of any liens recorded against the co-op shares.

Closing

After you obtain financing and board approval, the attorneys schedule a closing. The purchaser, the seller, their attorneys, the managing agent, the lender and a title closer (for condos) attend the closing, which lasts approximately one hour (if no financing) or two hours or more (if financing).

Closing Statement

After the closing, we prepare a closing statement, which describes in detail all the monies paid and received at the closing and contains copies of all the closing documents. We will provide you with a PDF of the closing statement, which will be helpful to you when preparing your tax returns.

Legal Fees

Our fee for these services is \$3,000.00. We will bill you one-half of this amount at the time the contract of sale is signed and the other half at the closing. If the transaction is terminated for any reason prior to closing, we will charge a pro rata share of the fee, depending on what services we have provided at the time the transaction was terminated. We reserve the right to charge additional fees for other legal services such as preparing powers of attorney, escrow agreements and holdover agreements or dealing with other than routine issues typically encountered in purchasing an apartment.

We will be glad to answer any further questions you may have concerning these matters. This information sheet does not constitute legal advice by us. Our representation of you will not commence until you have signed a written engagement letter agreeing to retain us as your attorneys.

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