

Checklist and Best Practices for Sellers

Help your transactions run smoothly and avoid the most common pitfalls with these best practices:

- Know the signs of a qualified and credible buyer.
- Do you want to consider owner financing to maximize your sale price?
- Whether you are the buyer or seller, insist that you pick the person conducting the closing. Controlling title puts you in a better position in terms of strength and control.
- Be aware of the most common tax considerations that may impact the timing and structure of your transaction: 1. Exemption for sale of primary residence; 2. Homestead tax benefits and the changes when you abandon an existing homestead; 3. Portability; and 4. 1031 or reverse 1031 tax deferral.
- Cash is king. A cash offer provides far fewer structural risks than an offer contingent on financing.
- Require a buyer to provide a substantial deposit—ideally, at least 10% of the purchase price. If possible, require the deposit to be placed in your owner lawyer's trust account.
- If you are purchasing another property and need the money from your sale in order to close, be sure your purchase contract contains an adequate “other sale” contingency.
- If using one of the template contracts used by most real estate agents, consider both forms—the “as-is” form designed to give the buyer a free look; and also the “standard” form which locks the parties in with no free look. The different forms provide different benefits and drawbacks.
- Beware: Florida law requires a seller to disclose known, latent, material defects.
- Wire fraud has become very prevalent in real estate transactions. Verify all wire instructions with a verified source.
- Condo sellers beware: check with your association to see if any special assessments exist or are being considered. Even if they are not yet finalized, special assessments may represent costs that the seller is forced to pay if the contract does not properly allocate them to the buyer.
- Remember to provide HOA documents, disclose periodic association dues, and attach an HOA (and/or condo) rider to the contract as applicable.
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