SELLERS · ESTIMATE

Free from Brian Redfern

Net Proceeds Estimate

See what you could walk away with after payoff, costs and concessions, and what each line means in an Arizona sale.

BR

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01 Your estimate

	Example	Yours
Sale price	$950,000	
Minus mortgage payoff (all loans)	-$400,000	
Minus agent compensation (5% in this example; negotiable)	-$47,500	
Minus title, escrow and other closing costs (about 1.5% here)	-$14,250	
Minus repairs and concessions to the buyer	-$0	
Estimated net to you	**$488,250**	

Prorated property taxes, HOA payoff and transfer fees, solar payoffs and any home warranty also come out of the net; your escrow company prepares the exact figures.

Adjust every number live: https://redfernhomelife.com/guides/net-proceeds

02 What goes into it

- **Mortgage payoff**
  Your lender's payoff amount, including interest to the payoff date and any second loan or HELOC; escrow orders the official payoff statement
- **Agent compensation**
  Negotiable and not set by law; it is whatever you agree to in your listing agreement and any offer terms

- **Title and escrow**
  In Arizona the seller customarily pays for the buyer's owner's title policy, and escrow fees are often split; your contract sets who pays what
- **Property tax proration**
  Arizona property taxes are paid in arrears, so sellers usually credit the buyer for taxes owed through the closing date
- **HOA items**
  Dues through closing plus transfer and disclosure fees the contract assigns to you
- **Repairs and concessions**
  Repairs agreed after inspection and any credits toward the buyer's costs
- **Solar lease or loan**
  A financed or leased system is paid off or transferred at closing
- **Home warranty**
  If you offer one to the buyer

03 Two rules worth knowing

- **Home-sale gain exclusion**
  If you owned and lived in the home for 2 of the last 5 years, up to $250,000 of gain ($500,000 for most married couples filing jointly) may be excluded from federal income tax (IRS Publication 523)
- **FIRPTA**
  When the seller is a foreign person for tax purposes, the buyer generally must withhold 15% of the price for the IRS unless an exception applies

Want an exact number?

Brian can walk you through it. No pressure, no obligation.

Call or text Brian: 619-403-0390
Book a call: https://redfernhomelife.com/contact
This guide online: https://redfernhomelife.com/guides/net-proceeds

Sources

- IRS Publication 523, Selling Your Home (irs.gov)
- IRS: FIRPTA withholding, Internal Revenue Code § 1445 (irs.gov)
- A.R.S. § 42-18052 (property tax installments) (azleg.gov)

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