CPA OF DENVER

Family Home Sale Before You Sign

A preparation checklist for a seller-financed transaction

Gather what is available and identify missing items. Confirm whose advice is being requested: buyer, seller, or both. Send financial records only through the secure process provided by the firm.

1. Proposed transaction

[ ] Draft purchase agreement, planned contract and closing dates.

[ ] Price, down payment, financed balance, payment frequency and amortization.

[ ] Interest rate, compounding, balloon, prepayment and security terms.

[ ] Existing mortgage or other debt; proposed payoff or assumption.

2. Value and property history

[ ] Independent valuation or appraisal and ownership details.

[ ] Seller purchase records, improvements, selling costs and depreciation history.

[ ] Residence, rental and business-use periods; buyer intended use.

3. Family and tax questions

[ ] Relationship between the parties and any co-owners or spouses.

[ ] Any discount, gift of equity, planned forgiveness or informal side agreement.

[ ] Interest-rule exceptions, gain reporting and home-sale exclusion questions.

[ ] Relevant returns, prior gifts and tax notices, as requested after scope review.

4. Define the requested work

[ ] List the decisions and dates by which you need answers.

[ ] Identify whether you need a focused call, calculations or a written memorandum.

[ ] Confirm separate legal drafting, title, recording and closing responsibilities.

Start here: cpaofdenver.com/tax-services/family-seller-financing/

The $350 consultation allows up to one hour total for review, preparation and a telephone call. Written recommendations, modeling, return preparation and legal work require a separate agreed scope and fee.