

SELLER PROCEEDS IN UNUSUAL SITUATIONS

Getting seller proceeds to the right recipient can be complex, especially when estates, trusts, or LLCs are involved. For example, if your client is the heir of an estate but the contract is in the estate's name, funds typically must be disbursed to the estate—not directly to the heir.

Why? We're required to follow the contract and comply with applicable tax laws. In many cases, the heir may need to open an estate bank account to receive and distribute the proceeds properly.

There are often multiple solutions depending on the situation, so always reach out to your escrow team with questions. Below are a few general guidelines that can help in these scenarios.



TIPS:



SELLING OUT OF AN LLC

Funds must disburse to the LLC, not the members.



SELLING OUT OF AN ESTATE

Funds must go to the estate in most circumstances.



SELLING OUT OF A TRUST

Funds must go the trust unless the trust is revocable and reports under the beneficiary(s) social security number.