

# CLOSING COST CHECK LIST



The cost of buying property goes beyond simply paying the price negotiated between the buyer and seller. Here are some of the common fees included in a typical settlement:

## Title & Escrow Related Closing Costs:

- 🏠 **Document preparation** – a fee charged for preparing loan documents such as the mortgage, note and other legal disclosures.
- 🏠 **Notary fees / Signing fees** – fees that are charged for taking an acknowledgment or proof of a deed, or other instrument, to include the seal and the writing of the certificate.
- 🏠 **Escrow fee (typically based on Purchase Price)** – fees charged by the escrow company acting as a disinterested third party, holding legal documents and funds on behalf of a buyer and seller.
- 🏠 **Courier fees** – cost for delivering documents to all those involved in a real estate transaction.
- 🏠 **Loan tie-in fee** – the fee charged for signing and packaging the Buyers loan documents.
- 🏠 **Electronic document delivery fee** – the fee charged for the delivery of documents by email or scanning to digitize documents.
- 🏠 **Owner's Title Insurance Policy (based on Purchase Price)** – Owner title insurance generally insures against various defects in title to the property; fraud, forgery, and defective signatures on legal documents related to the property; defects in the public recording of a transfer of real property; tax liens, mortgages, judgments or other encumbrances secured by the property; and restrictive covenants (limiting the use of the property).
- 🏠 **Lender's Title Insurance Policy (based on Loan Amount)** – Lender's title insurance protects the lender against problems with the title to the property that occurred before the date of the policy.

## Loan Related Closing Costs:

- 🏠 **Loan Origination fee** – is a payment associated with the servicing, handling and processing associated with taking out a loan.
- 🏠 **Loan Discount Points (optional)** – These are paid by borrowers at closing to reduce the mortgage rate on a home loan.
- 🏠 **Appraisal fee** – fee charged for a comprehensive report to determine the value of a property.
- 🏠 **Credit Report fee** – a fee charged to pull your credit report from the three leading credit agencies when applying for a mortgage.
- 🏠 **Interest Payment** – Typically the buyer is required to pay interest on the mortgage loan to cover the time between the closing date and when the first mortgage payment period begins.

## Government Related Closing Costs:

- 🏠 **Fee to record the deed, and deed of trust** – a fee that the local government charges in order to record a mortgage transaction, deed or deed of trust with the local county recorder.
- 🏠 **County and city transfer taxes (if applicable)** – transfer taxes are essentially a transaction fee imposed on the transfer of the title to property.

## Escrow Impound Account:

- 🏠 **Homeowner's Insurance** –this covers the new owner's hazard insurance on the property for the upcoming year.
- 🏠 **Mortgage Insurance (MI) or Private Mortgage Insurance (PMI)** (if any) - the number of months varies– PMI or MI may be required if a buyer has less than a 20% down payment.
- 🏠 **Property Taxes** – this covers the property taxes on the subject property.

## Additional Settlement Fees may include:

- 🏠 HOA documents/HOA transfer fee, termite inspection/clearance, home inspection, flood certification, lead paint inspection, roof inspection, and others. Check with your real estate agent in regard to these fees. All of the above fees will be reflected on the Settlement Statement/The Closing Disclosure at signing. Always ask your Escrow Officer if you have any questions on any of the fees disclosed..