



closing cost

Three days prior to your closing, you will receive a “Good Faith Estimate. These costs, on top of your down payment, are typically 2-3 percent of your purchase price, but could be as low as 1% and as high as 8%. The company that conducts the closing make ask for a cashier’s check to cover the required amount. Those costs include:

- Downpayment
- Loan origination fees
- Points, or loan discount fees, you pay to receive a lower interest rate
- Appraisal fee
- Credit report
- Private mortgage insurance premium
- Homeowners insurance escrow, if being paid as part of the mortgage
- Property tax escrow, if your taxes are being paid as part of the mortgage. Lenders keep funds for taxes and insurance in escrow accounts which is paid with the mortgage, then the lender will pay the insurance or taxes for you.
- Deed recording fees
- Title insurance policy premiums
- Survey
- Inspection fees—building inspection, termites, etc.
- Notary fees
- Prorations – The prorated amount of utility bills and/or property taxes owed since the date of your ownership of the house.

