

Who Covers What

Costs?

BUYER COSTS

Home Inspection: The buyer will cover the cost at the time of inspection

Appraisal: A one-time fee will be paid prior to the appraisal being completed

Credit Report: REQUIRED for the loan application

Loan Fees: Includes origination and processing fees charged by the lender

Homeowner's Insurance: The buyer will pay for their own insurance

Prepaid interest: Prorated based on the closing date of the loan

Private Mortgage Insurance (PMI): Required by some lenders and loan programs based on how much loan is remaining after downpayment

Lender's Title Insurance: Covered by the buyer

→ SHARED ←

Recording Fees: Costs for filing legal documents with the County Recorder

Property taxes: Prorated to the day of closing for both parties

Documentation Preparation: Involves the creation of deeds and other necessary legal documents for the transaction

Title Fee: Both buyer and seller are responsible for their respective portions

SELLER COSTS

Home Warranty and Existing Encumbrances: Coverage for certain home repairs or existing legal liabilities

Disclosure Reports: Includes reports like Natural Hazard disclosures

Homeowners Association (HOA) Dues & Transfer Fees: Any ongoing dues and one-time fees associated with the transfer of the property within an HOA

Transfer Tax: Tax imposed by the city or county for the conveyance of the property (usually about 1% the sale price)

Owner's Title Insurance Premium: Insurance to protect the buyer from any title issues that may arise.

NOTE: Keep in mind that a majority of these costs will be built into your CLOSING COSTS!