

CLOSING COSTS 101: WHO PAYS WHAT?

KNOWLEDGE IS POWER:

Don't find yourself off guard at closing. Federal law requires buyers and sellers to receive a copy of the settlement statement identifying all charges in the transaction.



SELLER

CLOSING COSTS RANGE **6-10%**
from purchase price



COMMISSIONS
Paid to listing and selling agent. Average is 5-6%



LOAN PAYOFF
Any remaining balance with prorated interest



REAL ESTATE TAXES
Prorated



ADDITIONAL FEES
- Homeowner Association Fees (prorated, if applicable)
- Termite Inspections
- Home Warranty (optional)
- Home Repairs/Credit (found during home inspection)



BUYER

CLOSING COSTS RANGE **2-5%**
from purchase price



HOMEOWNERS INSURANCE
Typically for one year



LENDER'S FEES
Appraisal costs, origination fees, etc.

TITLE & ESCROW FEES
Title insurance, taxes, etc.

ADDITIONAL FEES

- Home Inspection
- Credit Report Fees
- Flood Certification/Insurance



CLOSING TIPS:

- Prepare for the home inspection. Appearances matter, so thoroughly clean your house. Make sure all outlets, light switches, etc. are working properly.
- Don't cancel your homeowner's insurance or utilities until AFTER the closing.
- All closing costs are negotiable.



CLOSING TIPS:

- Review all loan documents in advance.
- Ask questions to ensure you are fully aware of what is expected and what is needed at closing.
- Take the day off! Closing can be a stressful process even when it goes smoothly.

LOAN ESTIMATE VS. CLOSING DISCLOSURE

There is a difference: These documents look identical EXCEPT for the purchase price.



LOAN ESTIMATE

You will need to request this from your agent or lender after applying for a loan.



CLOSING DISCLOSURE

You will receive this document a few days before closing. Review charges and ask any questions before your closing day.

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