



Closing Costs

This list will give you an idea of what items are typically included in closing costs (not the specific amounts, as fees can vary). Remember to negotiate who pays what BEFORE you sign a purchase contract. Nothing is standard and most everything is negotiable. Once you have signed, you have agreed. The instructions cannot be changed unless mutually agreed by all parties, again in writing. Upon closing, make sure each service was actually performed and completed to your satisfaction. This includes everything from pest inspections, attorney fees, etc. Should you have any disagreement on closing costs, don't sign estimated closing statements until you are satisfied that all fees are valid and correctly calculated.

1. Taxes

The seller is required to pay the property taxes through the last day of ownership. It will be prorated in escrow.

2. Homeowner's Insurance

Normally the buyer gets a new homeowner's policy (fire/hazard insurance). Sometimes the lender requires the first year's insurance premium to be paid at the close of escrow.

3. Assessments and Liens

Liens or assessments against individuals and/or the home need to be paid off before the close of escrow. This could be a back tax lien or judgment. Always make sure to double-check the figures so that these are not overpaid.

4. Escrow and Title Insurance

The seller or the buyer can pay the title insurance fee that is referred to as the "Owner's Policy" covering the new owner's interest and the "title" of his/her new home. The buyer typically pays for his "Lender's Policy" that will cover his new lender's interest in the "title" to the property. The base escrow fee is negotiable, but typically split between the buyer and the seller (except VA loans).

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5. Inspection Fees/Other

There are several types of inspection and miscellaneous fees. Carefully check all charges on your closing statement. The Duggan Team will always give you the option to pay for these fees at the time of service to avoid paying them at closing.

- Pest Inspection
- Pest Correction Costs
- Deed Recording Charges
- Loan Fees
- Home Warranty
- Attorney's Fees
- Document Preparation Fees
- Tax Service Fees
- HOA Fees

6. Commission

If a home is listed or sold by an agent, there will be a commission to pay. It is usually between 3%-7%. This fee is paid for by the seller.