

03

KNOW YOUR NUMBERS



TERM	DESCRIPTION	AVG* COST
Loan Origination Fee	<i>Covers lender's administrative costs in connection to origination the loan.</i>	1% of Loan Amount*
Attorney Fee	<i>The closing is handled by an attorney of Buyer's choice. Attorney is responsible for obtaining title insurance, handling/computing the closing statement and recording necessary documents with the county. The deed is prepared by an attorney of the Seller's choosing...but they often use the Buyer's attorney.</i>	*\$800-\$1200* (depends on attorney selection)
Appraisal Fee	<i>The appraisal is a statement of property value made by a licensed, independent appraiser. This is a requirement of the lender.</i>	Conventional: \$400-\$475 FHA/VA: \$475
Credit Report	<i>Report obtained by credit-reporting agency detailing the borrower's credit history.</i>	\$50-\$75
Interim Interest	<i>Interest collected on the loan from closing date for the balance of the calendar month when closed. (Unless closing is the 1st of the month).</i>	Interest will vary based on actual day of closing.
Mortgage Insurance(PMI)	<i>Generally required on mortgages where the borrower's down payment is less than 20% of the Purchase Price. It protects lenders from loss due to payment default.</i>	Premiums vary
Hazard Insurance	<i>Lender's require fire insurance policy covering at least the amount of the mortgage.</i>	First year premium is paid at closing
Escrow Deposits	<i>Funds held by the lender to assure future payment of recurring items, such as, real estate taxes, hazard insurance, and mortgage insurance.</i>	2 months hazard ins. 2 months mortgage ins. 5 months of taxes (typically).
Discount Points	<i>One-time charge, used by lender to adjust the yield on the loan, ultimately lowers the interest rate.</i>	Each point equal to 1% of loan amount.
Title Insurance	<i>Protects buyers against loss due to problems or defects in the title that are not found on public record. This cost is borne by the buyer and is a one-time fee paid at closing.</i>	\$2 per \$1,000 of coverage + \$90
Recording Fees	<i>Recording fees for deed, deed of trust, and any other documents that need recorded.</i>	\$115
Inspections	<i>TYPICALLY, paid outside of closing. This is for a licensed home inspection.</i>	\$400-\$900, depending on which inspections are chosen and size of the home.
Survey	<i>Survey shows the exact locations of the house and lot line, as well as easements, buffers, and setback lines. NOT required, but always suggested.</i>	\$300-\$450