

**CLOSING COSTS** are the expenses above the property's price that buyers and sellers incur to complete a real estate transaction. Both buyers and sellers may be subject to closing costs. Closing costs must be disclosed to buyers and sellers and agreed upon before a real estate deal can be completed.

## **THE SELLER** can generally be expected to pay for:

- » 60% of the premium for standard coverage insurance
- » 50% of Escrow fees
- » Real estate commission
- » Document preparation fee for deed
- » City transfer or conveyance tax (defined by contract)
- » Pay off all loans secured against the property
- » Interest accrued to lender being paid off, statement fees, reconveyance fees and prepayment penalties
- » Home warranty (if defined by contract)
- » Any judgments, tax liens, etc., against the seller
- » Tax proration (for any taxes unpaid at time of transfer of title)
- » Any unpaid homeowner's association dues
- » Recording charges to clear all documents of record against seller
- » Any and all delinquent taxes
- » Notary fees
- » Homeowner's association transfer fee (as defined by contract)
- » Messenger fees (if incurred on seller's behalf)
- » Any other negotiated items per the contract

## **THE BUYER** can generally be expected to pay for:

- » 40% of the premium for standard coverage title insurance and any additional cost relating to the issuance of extended coverage policy
- » 50% of Escrow fees
- » "Lender's" title insurance policy premium
- » Document preparation (if applicable)
- » Notary fees
- » Recording charges for all documents in buyer's name
- » Tax proration (from date of acquisition)
- » All new loan charges (except those required by lender for seller to pay)
- » Interest on new loan from date of funding
- » Inspection fees (as defined by contract)
- » Home warranty (if defined by contract)
- » Messenger fees (incurred on buyer's behalf)