



The five main types of closing/settlement cost fees:

- 1] **Lender/Broker-Related:** covers the lender or brokers administrative costs, and sometimes include additional fees to increase their profits on a loan. These are referred to in the business as "garbage" or "junk" fees.
- 2] **Third-Party:** for services provided by other companies, such as your appraisal, title search, inspections, etc.
- 3] **Government:** many state and local governments charge fees to transfer and record the sale of property.
- 4] **Impound Account/Pre-paids:** if your lender requires you to use an impound account, you may have to pre-pay between two and twelve months of your property taxes, hazard/homeowner's insurance, and mortgage insurance into this account. Since these are recurring costs, generally they can't be financed.
- 5] **Pro-rations:** few people move exactly on January 1, so usually the seller has already paid some portion of the taxes or Homeowner's Association Dues that the buyer now owes. At closing, the pro-rated amount is calculated and the buyer reimburses the seller.

Fee Types are categorized into two types:

- 1] **Non-recurring:** one-time fees for services rendered in the processing of your purchase (eg: appraisals, credit reports, inspections). Most of these can be financed as part of your loan.
- 2] **Recurring:** charges that come around again and again, like property taxes and hazard/homeowner's insurance.

Who Pays What? There are no standard traditions about who pays each fee. They vary from state to state and even county by county. In some real estate markets, it may be negotiable.

1] POSSIBLE LENDER/BROKER-RELATED FEES	AMOUNT/RANGE	PAID TO
Administration Fee	\$250-\$1,000	Lender
Application Fee	\$100-\$400	Lender
Appraisal Review Fee	\$75-\$150	Lender
Commitment/Rate Lock Fee	\$300-\$750	Lender
Courier Fee	\$30-\$1000	Lender
Discount points		Lender
Document Preparation Fee	\$25-\$400	Lender
Funding Fee	\$100-\$450	Lender
Lender or Broker Fee	\$200-\$1,500	Lender/Broker
Lender's Title Insurance	.2%-.5% loan amount	Title Company
Loan Origination Fee	Generally 1% of loan amount	Lender
Processing Fee	\$50-\$750	Lender/Broker
Tax Service Fee	\$70-\$250	Lender
Underwriting Fee	\$100-\$500	Lender
Warehousing Fee	\$50-\$100	Lender
Wire Transfer Fee	\$10-\$50	Lender/Broker

2] POSSIBLE THIRD-PARTY FEES	AMOUNT/RANGE	PAID TO
Appraisal	\$200-\$750	Appraisal Company
Credit Report Fee	\$8.50-\$75	Credit Agencies
Escrow/Settlement Fee	\$25-\$100	Escrow/Settlement Company
Flood Certification	\$25-\$250	Flood Certification Company
Home Warranty	\$500-\$1,000	Warranty Company
Homeowner's Association Transfer Fee	\$25-\$100	Homeowner's Association
Inspection	\$50-\$500	Licensed Inspector
Lender's Inspection (442 Inspection)	\$100-\$300	Inspector
Loan Tie-In Fees	\$25-\$100	Escrow/Settlement Company
Notary Fees	\$10-\$100	Notary
Owner's Title Insurance	.3%-.6% purchase price	Title Company
Pest/Termite Inspection & Report	\$75-\$100	Pest Inspector
Postage/Courier	\$25-\$100	Escrow/Settlement Company

Attorney		
Sub-Escrow Fee	\$25-\$100	Title Company
Survey	\$50-\$450	Surveyor
Title Search, Report, Name Search	\$100-\$750	Title Company

3] POSSIBLE GOVERNMENT FEES	AMOUNT/RANGE	PAID TO
City/County/State Tax Stamps	\$50-\$5,000	State/Local government
Property Taxes	Often % of sales price	State/Local government
Recording Fee	\$20-\$250	State/Local government
Transfer Tax	\$25-\$1,000	State/Local government

4] POSSIBLE IMPOUND ACCOUNT/PRE-PAIDS	AMOUNT/RANGE	PAID TO
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