

Closing Costs

Closing Cost	Charged By	Purpose	Who Pays
Origination or lender fee	Lender	Covers cost to originate the loan	Buyer or Seller
Discount points	Lender	Prepaid interest to buy down the interest rate	Buyer or Seller
Per Diem interest	Lender	Daily interest from settlement to end of month	Buyer
Appraisal fee	Appraiser	Determines the fair market value of property	Buyer
Credit report	Credit reporting service	Provides credit history and score to determine lending risk	Buyer
Assumption fee	Lender	Covers lender's costs when loan is allowed to be assumed	Buyer
Escrow (Impound) reserves	Lender/servicer	Two months' worth of insurance premium and property tax to start escrow fund	Buyer
Mortgage insurance premium	Mortgage insurance company	May be paid in part at closing; usually divided by 12 and added to monthly mortgage payment	Buyer
Homeowner insurance policy	Insurance company	Provides hazard and liability protection on the property	Buyer
Homeowner warranty	Warranty company	Insures heating and cooling systems and appliances	Buyer or Seller
Title search	Settlement agent	Search for ownership, liens and any title defects	Buyer or Seller
Title insurance policy	Title insurance company	Protects insured from adverse claims and liens on the property	Buyer
Transfer fee	State/county	Government charge for conveyance of property	Seller
Recording fees	City or county	Government charge for recording deed, mortgage or deed of trust, rider, assignment, releases	Buyer and Seller
Real estate agent fees	Real estate broker	Commission paid to listing and selling agent	Seller
Reimbursement to seller	Seller	Reimbursement to seller for prepaid taxes or any other prepaid property items	Buyer
Attorney or settlement agent fees	Attorney/settlement agent	Pays for handling and disbursing the closing	Buyer and Seller
Termite or pest inspection	Inspection company	Certifies the property was inspected for insect damage and treated if needed	Seller
Survey	Surveyor	Determines exact boundaries of property	Buyer or Seller