**COMMON BUYER CLOSING COSTS**

Closing costs include all of the expenses and fees associated with buying a home. They may be charged by the lender or other third parties for services rendered. This list outlines some of the most typical costs and when they are due.

* Mortgage application fees or loan origination fees: The lender charges this fee to process the loan application. It may be paid prior to or at closing by the buyer.
* Inspection fee: This is the cost of the home inspection charged by a licensed inspector. It may include special inspections, such as for pests or termites, and may be paid ahead or at closing.
* Appraisal fees: Charged by the appraiser to determine the value of the home, these fees are paid by the buyer, usually at closing.
* Fees for survey, title search, and recording fees: These are paid by either the seller or buyer and at closing.
* Brokerage commission: Paid to the real estate brokers by the seller at closing.
* Home warranty: Typically paid at closing, this fee is covered by the buyer, but may be included in the contract as the seller’s or Realtor’s responsibility.
* Property insurance: Paid by the buyer to insure the property, this may be paid to the insurance company prior to closing or included in the closing transaction.
* Property taxes: This amount must be calculated to determine how much the buyer and seller must pay for the prorated portions of the tax year.
* Points: This amount is charged to reduce the interest rate through the life of the loan. One point is equal to one percent of the loan amount