

5 UPFRONT COSTS

That Surprise First Time Homebuyers



1 HOME INSPECTION

Non-refundable

After you've submitted an offer on a home and the seller has accepted, you have the option to hire a certified home inspector to examine the property before closing. If issues are uncovered, you can negotiate repairs with the seller before finalizing.

2 EARNEST MONEY DEPOSIT

Typically, 1-2% of the purchase price

A negotiable amount between the buyer and seller, this money is held by the seller's broker or a title company to be used as a credit toward down payment and closing costs.

3 SURVEY FEE

If the seller does not have a valid survey, the lender may require one.

4 APPRAISAL FEE

\$450-\$900

To make sure the property is not overpriced, your mortgage lender will require a home appraisal. The lender will hire an independent certified appraiser to assess the fair market value of the property.

5 CLOSING COSTS

2-5% of the purchase price, paid at closing

While having enough money saved up for a down payment is great, you also need an additional 2% to 5% of the home purchase price to cover closing costs. These include the loan origination fee, attorney fees, prepaid homeowners' association fees, taxes and more. Buyers can request seller concessions to help with these costs.

NMLS#:

