

## STATE OF WASHINGTON UNDERSTANDING BUYER'S CLOSING COSTS

### Figuring out the cost to close on a home

The cost of purchasing a property extends beyond paying merely the negotiated sales price. Many other fees associated with the purchase are often called closing costs; these are grouped in to “Recurring” and “Non-Recurring” Closing Costs. Recurring Closing Costs are paid in escrow but will continue on a pre-determined basis; i.e. property taxes. Non-Recurring Closing Costs are charged one time only at closing of the escrow. Below are examples of both types of costs defined:

#### RECURRING COSTS

- Fire Insurance Premium
- Flood Insurance Premium (if required)
- Homeowner's Association Dues
- Private Mortgage Insurance Premiums (PMI)
- Mortgage Interest
- Real Property Taxes
- Home Warranty (optional if Buyer pays)

#### NON-RECURRING COSTS

##### Title and Escrow related costs:

- Title Insurance Premiums
- Recording Fees
- Sub-Escrow Fee which may be due Title Company
- Escrow Fees
- Notary Fees / Signing
- Courier/Delivery Fees
- Document Preparation Fees
- Electronic Document Processing Fees
- Transfer or Document Fees to a Homeowner's Association
- Transaction Coordinator Fee
- All Inspections such as Termite, Roof, Chimney, etc..

##### Lender's costs:

- Appraisal Fee
- Credit Report
- Lender's Inspection Fee
- Flood Certification Fee (if required in your area)
- Loan Origination Fee
- Loan Processing
- Document Processing Fees
- Tax Service Fee
- Real Estate Broker Commissions (Sale)

The Closing Costs/Fees mentioned in this article are for the State of Washington in general and for informational purpose only, other fees may occur depending on specific requirements of your County, Lender, Title Company, and other parties in the transaction.