



## Understanding *Recurring* and *Non-Recurring* Closing Costs

There are two types of Closing Costs associated with an escrow: **Recurring Closing Costs** and **Non-Recurring Closing Costs**. Below are definitions and examples for both types of Closing Costs.

### RECURRING CLOSING COSTS

Recurring fees are those charges that are paid at closing and will continue to occur or be repeated after the escrow closes. They include such fees as:

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



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### NON-RECURRING CLOSING COSTS

Fees that are paid once and never again are called non-recurring. These fees are one-time charges for such items as:

#### *Closing Expenses:*

- Title Insurance Premiums
- Recording Fees
- Endorsements to Title Policies
- Sub-Escrow Fee which may be due Title Company
- Reconveyance Fees
- Documentary Transfer Tax
- City Transfer Tax (if applicable)
- Escrow Fees
- Loan Tie-in Fee
- Notary Fees / Signing
- Courier/Delivery Fees
- Document Preparation Fees
- Electronic Document Processing Fees
- Transfer or Document Fees to a Homeowner's Association
- SMPF Fee (Survey Monument Preservation Fund)(if required)
- Transaction Coordinator Fee (Sale)
- All Inspections such as Termite, Roof, Chimney, etc..

#### *Lender's Costs:*

- Appraisal Fee
- Credit Report
- Lender's Inspection Fee
- Misc. Loan pay-off Fees (if required for existing loan)
- Flood Certification Fee (if required in your area)
- Loan Origination Fee
- Loan Processing
- Document Processing Fees
- Tax Service Fee
- Real Estate Broker Commissions (Sale)
- Fees for Property Disclosures or City Reports (Sale)