

Understanding Closing Costs

Demystifying the main documents and payments at the closing table.



It's time to sign the final documents on your home!

These are the three main documents involved during the closing process:



Closing Disclosure (CD)

This is a 5-page form, with most of the same information you've already seen on your Loan Estimate (LE). This form includes the final numbers for your loan, so you can compare them to the figures in your LE. You will have three business days to review the CD.



Deed of Trust or Mortgage

This is a recorded document that states who is the legal owner of the property and any special entitlements connected to that property. In many states, this document is used in place of a mortgage to secure the payment of a note.



The Note

This will show the amount borrowed and the terms of repayment.

How much will my closing costs be?

Estimating Closing Costs

Closing costs are expenses over and above the price of the property that are incurred by buyers and sellers when transferring ownership of a property.

Closing costs may include, but are not limited to:

Lender Fees

- Origination Fee

Third-Party Fees

- Property Taxes
- Changes for title insurance and escrow costs
- Appraisal fees



Closing costs will vary according to the area of the country and lenders used, **typically ranging from 3% to 6% of the total loan amount**, depending on the state and type of loan.



Contact Us Today!

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