**Estimated Up-Front Costs When Buying a Home**

In addition to the cost of the house, there are several up-front costs you may be expected to

pay prior to closing or at the closing table. Listed below are a few of these expenses:

1. **Earnest Money:** This is typically 1% of the contract price submitted when making an offer to purchase. It should be a check and will be deposited upon acceptance of an offer.

2. **Due Diligence:** The due diligence fee amount can vary greatly. It can vary depending on the home price and/or the terms of the offer. It should be a check and will be deposited upon acceptance of an offer. It is non-refundable.

3. **Inspections:** (Due Diligence timeframe) An inspector’s pricing varies depending on the size of the house. A typical range is usually $375 - $500. They do have an extra charge for radon, termite, or other tests.

4. **Loan Application Fees:** These fees vary by lender.

5. **Appraisal:** This fee is collected by the Lender and the estimated average is usually $450 - $550. The Lender may charge you up-front for this fee or include it in closing costs. Either way is normal.

6. **Survey:** Obtaining a survey is optional, however it identifies property boundaries. This is usually a $400 -$500 estimated range depending on the size of the lot.

7. **Down Payment:** The down payment is due at closing. It depends on the type of loan (Conventional, FHA, etc.). It is usually a 3% or more percentage.

8. **Pre-Paid Items:** Taxes, insurance, per diem interest and HOA fee(s), are prorated and paid at the closing in addition to the closing costs.

9. **Closing costs:** Closing costs are paid at the closing and depend on the type of financing and size of the loan. We typically estimate this to be between 2% - 3% of the sales price.

Sometimes other costs may be required to be paid up-front, however, the ones listed above are fairly standard and should be expected in most real estate transactions. We’ve given you price ranges as prices vary based upon which lender and/or home inspector you use.

*It is our goal to ensure you are prepared for every step of the home buying process*