

# Explanation of Closing Costs

## Title Fees

Cost	Charged By	Description
<i>Lender's Title Policy</i>	Title	Title policy issued to lender to cover the amount of the loan. Based on the loan amount unless it is a negative amortization loan.
<i>Document Transfer Tax</i>	County	Fee charged on all properties that transfer title-based on sales price.
<i>Electronic Recording (Shipping &amp; Handling)</i>	County	Charged to file for electronically recording documents.
<i>Federal Express</i>	Federal Express	Charged to file for delivery of all time sensitive documents/monies.
<i>Lenders Endorsement</i>	Title	Charged for endorsements required by lender to cover "outside the normal" risk circumstances.
<i>Messenger</i>	Messenger Service	Charged to file to Special Messenger documents during the course of escrow. Fee varies with distance.
<i>Owners Title Policy Title</i>	Title	Fee to issue a title policy. Calculated using the sales price. May be reduced if home was purchased or refinanced in the last 5 years. Insures that the title is free and clear at the time of transfer.
<i>Record Grant Deed</i>	County	Charged to file for recording the Grant Deed.
<i>Record Release/Reconveyance</i>	County	Charged to file for recording the release/reconveyance.
<i>Record Trust Deed</i>	County	Charged to file for recording Trust Deeds.
<i>Sub-Escrow Fee</i>	Title; split between buyer and seller	Fee to administer the pay-off of loans or property taxes of the seller and collection of funds from the new lender.
<i>Title/Wire Fee</i>	Banking Institution	Charged to file for wiring funds to escrow, seller, lenders, etc.

## Escrow Fees

Cost	Charged By	Description
<i>Demand Fee</i>	Escrow to Seller	Charged for requesting a statement and processing involved in getting a pay-off figure to escrow on the outstanding amount of the current loan. One demand fee per loan.
<i>Document Fee</i>	Escrow	Escrow Cover the expense for drawing legal documents for official records.
<i>Escrow Fee</i>	Escrow; to Buyer and Seller	Covers liability assumed as well as standard processing costs.
<i>Process HOA Documents &amp; Transfer Fee</i>	Escrow; to Buyer and Seller	Fee for processing required to assign membership for HOA and copying all governing documents.

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## Lender Fees

Cost	Charged By	Description
<i>Appraisal</i>	Fee Appraiser	Paid directly to Fee Appraiser for appraisal of property.
<i>Credit Report</i>	Lender	Paid to Credit Bureau for report containing 3 repositories- TRW, TU and Equifax.
<i>Documentation Preparation</i>	Lender	Paid to Lender for preparation of final loan documents.
<i>Flood Certificate</i>	Lender	Fee for investigation to determine if the subject property is located in a flood hazard zone.
<i>Insurance Impounds</i>	Lender	1 year + 2 months Hazard Insurance collected for impound reserve account.
<i>Orientation Fee</i>	Lender	Charged for lending money at 1% of the loan amount.
<i>Processing</i>	Lender	Paid to mortgage broker for processing loan package from application to closing.
<i>Tax Impounds</i>	Lender	Collected to create an impound reserve account for the lender to pay property taxes twice a year.
<i>Tax Service</i>	Lender	Fee charged to buyer to set up property taxes with the state.
<i>Underwriting</i>	Tax Service	Fee to direct lender for the process of approving.
<i>Wire</i>	Banking Institution	Charged for the wiring of funds to title for closing.

## Payoffs & Disbursements

Cost	Charged By	Description
<i>Fire Insurance</i>	Insurance Agency	1 year prepaid premium for Homeowners Insurance.
<i>HOA Dues</i>	HOA Management	Paid through month of closing.
<i>HOA Transfer Fee</i>	HOA Management	Management To transfer ownership and handle new accounting set-up.
<i>Notary</i>	Notary	Charged to seller for signing of grant deed or certification of trust. Buyers need notary's for signing loan documents.
<i>Recording Fee</i>	Existing Lender	Charged for having reconveyance recorded.
<i>Statement/ Forwarding Fee</i>	Existing Lender	Charged for issuing a pay-off statement.
<i>County Property Taxes</i>	Seller to Buyer	Calculated from date of pay-off through end of period paid.
<i>HOA Dues</i>	Seller to Buyer	Calculated from date of COE through month-end.