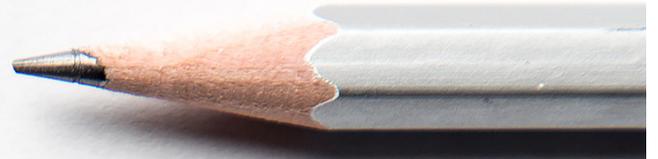


# UNDERSTANDING CLOSING COSTS



It's time to sign final documents on your home!  
Below are the three main documents involved during the closing process:

### HUD-1 SETTLEMENT STATEMENTS

This is a document that provides an itemized list of the funds that are payable at closing. Items that appear on the statement include real estate commissions, loan fees, points and initial escrow amounts. The totals at the bottom of the HUD-1 statement define the seller's net proceeds and the buyer's net payment at closing.

### 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?

### Helpful Resources



Ask your Loan Officer or visit [www.SmartStartHomebuyer.com](http://www.SmartStartHomebuyer.com) for a handy worksheet that will help you estimate your closing costs!



Speak with your Loan Officer for details on programs that can assist you with closing costs and down payment!

### 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 normally include:

#### Lender Fees

Origination Fee

#### Third Party Fees

Property taxes

Charges for title insurance and escrow costs

Appraisal fees

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

[www.SmartStartHomebuyer.com](http://www.SmartStartHomebuyer.com)

Helping Homebuyers Get Off to a Smart Start.



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### DIRECT LENDER

New American Funding is an all-inclusive mortgage banker. From origination to funding, our underwriters, doc drawers and funders all work under one roof, creating a cohesive team that enables us to close your loans fast.

