

## Prince George Mortgage Closing Costs

### Who's Responsibility Is It To Pay For The Closing Costs

There are some additional charges when obtaining real estate which add to the overall purchase price of the property. These costs are often known as closing costs. As a general rule, closing costs are the buyer's responsibility and should be paid before closing a real estate contract. Then again, the seller may choose to pay for some of the closing costs to be able to make the sale move faster or to make the property seem more attractive.

Closing costs include things like for example the loan application fee, title searches, recording the deed or recording fees, appraisal fees, credit check expenses, mortgage insurance and homeowner's insurance. They represent payments that accomplish the loan conditions that were set by the lender upon securing the mortgage.

A different common expense is points. Buying points can be to your advantage though as the more points you have the less your interest rate is. Some of the other expenses that might be covered under closing costs are attorney's fees, fees for surveying the property, sales tax, property tax and origination fees.

Original fees are separate from the application fee. The lending institution issues these fees to offset the administrative costs they incur. Before it is disbursed to the borrower, the original fees are automatically deducted from the loan. Usually, origination fees range from 1 percent to 3 percent of the whole mortgage. Closing fees represent approximately 6% of the mortgage amount. If the loan is financed by the government, the amount is given to them. With various types of loans, the administrator of the loan collects the fees.

The costs of closing a deal can add up fast and are not just limited to the abovementioned. Buyers must get an estimate of the total costs of the property. This would ensure that all the costs and items are fully disclosed before a deal is struck. If the closing costs are very high, you have three alternatives; You can try to bargain with your lender, seek a different lender, or try to bargain with the seller to see if they would pay for some of the fees.