

TOP FOUR BUYER EXPENSES

UP FRONT COSTS ASSOCIATED WITH BUYING YOUR HOME.

These are typical estimated costs and should only be used as a guideline.

EARNEST MONEY

Earnest money typically ranges from 1% - 3% of the home's price. And no, it doesn't go directly into the seller's pocket, regardless of outcome. If the deal ultimately falls through, in most scenarios the deposit will return to you. Earnest money is held in escrow until the day of closing and is put **toward the closing costs of the home purchase.**

DOWN PAYMENT

A down payment is amount of money saved up to go toward the purchase price of your home. Depending on your type of loan you may be required to pay a full 20%, some lenders may even require more. You could also pay as little as 0% (ZERO) for your down payment. The better your credit, the better odds you have of paying a smaller down payment. The benefit of a larger down payment is that you build immediate equity into your home purchase.

****You do NOT have to have 20% down saved before you buy a home, that's old school thinking and just not true today. There are many state, local and federal grant programs, as well as down payment assistance programs out there. While having some money saved is probably the best option do not let this stop you from pursuing your dream of home ownership.*

HOME INSPECTION

You can expect a home inspection to run you \$250 to \$400—possibly more if the home tops 2,000 square feet. Average home values by zip code and square footage are the biggest drivers of higher fees for home inspection.

(With Septic & Radon Testing, recommended - Addtl. \$500-\$800)

APPRAISAL

During an appraisal, a licensed appraiser evaluates the home you want to buy in person and gives you an estimate on its worth. Typically, the appraiser is chosen by the lender but paid for by the buyer as part of the closing costs. **Appraisals cost around \$400 (but can vary depending on home size and location) and the appointment usually takes an hour.**



Violet Goode

Realtor® | REALTYONEGROUP

(503) 314-6674 Call/Text

violetgoode.com

violet.goode@rogchoice.com