



# Selling your House

## *Closing Costs*



**Closing costs:** The bundle of fees associated with buying or selling a home are called closing costs. Certain fees are automatically assigned to either the buyer or the seller; others are either negotiable or dictated by local custom.

**Negotiating closing costs:** In addition to the sales price, closing costs are often included in contract negotiations. This can be for both major and minor fees. For example, if a buyer is particularly nervous about the condition of the plumbing, the seller may agree to pay for the house inspection. Likewise, a buyer may want to save on up-front expenditures, and so agree to pay the seller's full asking price in return for the seller paying all the allowable closing costs. There's no right or wrong way to negotiate closing costs; just be sure all terms are included in the agreement.

**Seller closing costs:** If the seller has not yet paid for the house in full, the seller's most important closing cost is satisfying the remaining balance of their loan. Before the date of closing, the escrow officer will contact the seller's lender to verify the amount needed to close out the loan. Then, along with any other fees, the original loan will be paid for at the closing before the seller receives any proceeds from the sale.

### **Seller estimated closing costs:**

- Pest inspection - \$100 - \$200
- Property taxes - credit prorated (January 1 - date of closing)
- Income Taxes - 7% of the sales profit from sellers who do not file income tax in South Carolina
- Deed preparation/delivery fees - \$150-\$250
- Mortgage release/recording fees - \$10
- Deed Transfer Stamps - \$3.70/1,000 of purchase price ( $\$0.0037 \times \text{purchase price}$ )
- Real Estate Commission - % of purchase price

*Costs can change & vary. All information is subject to errors, omissions, & changes in facts or circumstances. Always consult your attorney before signing a contract.*

*Love where you live.*

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