

Homebuying Costs and Financing



Illustrative image; not an actual listing or client photograph.

Plan for the money needed before closing, at settlement and after you move. A clear budget makes it easier to compare loans and preserve savings for ownership.

Separate your cash requirements

A down payment is the purchase-price portion you contribute rather than finance. Closing costs include lender, title and settlement charges. Prepaids and escrow deposits may cover insurance and taxes. Inspections, appraisal and moving can arise separately. Ask how earnest money, deposits and credits are counted so expenses are not double counted.

Compare loans using the same assumptions

Request written estimates for matching loan amounts, types and assumptions. Compare rate, APR, points, fees, total payment and cash to close. A lower rate can carry higher upfront costs. Ask when the rate locks, when the lock expires and whether a delay could require an extension charge.

Confirm assistance and ongoing expenses

Seller credits must be negotiated and allowed by your loan program; they are not automatically available or the same as your down payment. Confirm gifts or assistance before relying on them. Budget taxes, insurance, flood coverage, mortgage insurance if applicable, dues, utilities and maintenance. Taxes and insurance can change.

Your next-step action plan

Use a cash-and-reserve worksheet

List available funds, earnest money paid, inspections, appraisal, estimated cash to close and moving costs. Subtract these carefully to find the reserve left after purchase. Separate the lender payment from bills you pay directly. Keep a repair allowance and ask for a written explanation of unclear charges before committing your savings.

Review final terms and verify payments

For covered mortgages, the Closing Disclosure generally arrives at least three business days before closing. Compare it with the latest Loan Estimate; question changed fees, loan amount, rate, payment and cash needed. Verify transfer instructions, amounts and deadlines through a trusted settlement-provider phone number, especially after any emailed change.

Your planning checklist

- ☐ List costs before closing, at closing and afterward.
- ☐ Compare lender estimates with matching assumptions.
- ☐ Confirm credits, gifts, assistance and rate-lock dates.
- ☐ Obtain insurance quotes and association fee details.
- ☐ Calculate remaining cash and a maintenance reserve.
- ☐ Review final disclosures and verify transfer details.

DIANA'S TIP

Ask your lender for both your estimated cash to close and your total monthly payment. Then consider what savings you will have left for moving and repairs.

Helpful source links

[Closing Disclosure explained](#)

[CFPB homebuying tools](#)

[CFPB review before closing](#)

[Loan Estimate explained](#)

Call Diana: 757-985-2959

Discuss how your financing estimate fits your home search with Diana. Your lender confirms loan terms and qualification; local lender introductions are available if desired. [Open this guide online](#) to use the contact form.

Diana Hansford, Real Estate Agent | Keffer Realty. Confirm property facts, agreements and financing with the appropriate professionals.