

# your road home

— chfa homeownership e-news



## glossary

### Annual percentage rate (APR)

The cost of a loan or other financing as an annual rate. The APR includes the interest rate, points, broker fees, and certain other credit charges a borrower is required to pay.

Source: Federal Trade Commission



## did you know?

### Pandemic homebuying

During the pandemic, both buying a multigenerational home and buying in a suburban location were more likely.

Source: National Association of REALTORS® 2020 Profile of Home Buyers and Sellers



## interactive intersection

### How much might I afford?

Use CHFA's mortgage calculators as a tool to determine what might be right for you.

## beyond the down payment: other upfront costs of homebuying

Most know that part of buying a home involves making a down payment, with or without assistance, but what can be surprising are other significant upfront costs incurred before keys are in hand. These include:

- **Earnest money:** This is a deposit you pay to show good faith on your signed purchase contract to buy a home. It is generally held in escrow by a third party like a real estate agent or title company. Typically, earnest money is 1 to 5 percent of the home sale price, usually paid once the purchase contract is signed by you and the seller. On a \$300,000 home, this would be approximately \$3,000 to \$15,000.
- **Inspection fee:** This fee is paid to a professional home inspector that you hire to review the condition of the property. It is typically \$300 to \$400 depending on the location and size of the property. In most cases, the fee is paid by you to the inspector on the day of the inspection.
- **Appraisal fee:** An appraisal is an independent assessment of the fair market value of the property. If you borrow money to purchase your home, the lender will typically require an appraisal be completed. The cost for an appraisal is approximately \$600 to \$800 depending on the location of the property and is typically paid by you to the lender who contracts for the service.
- **Cash to close:** This is the amount of money out-of-pocket that you will bring to the closing table on the day you close on your mortgage loan, finalizing your home purchase. It can vary but may be between 2 to 7 percent of the home sale price. On a \$300,000 home, this would be approximately \$6,000 to \$21,000.

To learn more about loan costs, [visit the Consumer Financial Protection Bureau's website.](#)

## \$75,000 raised to support mt. carmel veterans service center

CHFA was proud to raise \$75,000 for Drive it Home for Mt. Carmel, CHFA's virtual donation drive supporting Mt. Carmel Veterans Service Center. Thank you to all who donated!

Mt. Carmel Veterans Service Center provides wraparound services and resources for military, veterans, and their families. Mt. Carmel's peer-based direct services support military and veteran families in three core areas: veteran and family resources, employment and transition services, and behavioral health counseling and wellness programs. Learn more about Mt. Carmel [here](#).

CHFA made a video expressing our appreciation to our donors, which may be [viewed here](#).



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