

Money You will Spend before Closing

Item	Amount	Description/Explanation
Earnest Money Deposit	\$500-\$3000	<i>You will pay this to the seller when they accept your offer. It is put in escrow until closing and demonstrates the seriousness of your offer to purchase their property. The amount will vary depending on purchase price and locality. Your Real Estate agent can guide you on the amount but expect it to be no less than \$500 and potentially up to 1% of the purchase price – the amount is ultimately up to you but the more you put up the more serious the seller will think you are. If/when you close the full amount is credited to you at closing but you will not receive it back in cash.</i>
Home Inspection	\$400+	<i>After you are under contract and if you have not waived your right to one, you will have about ten days to get a home inspection done on the property. A HOME INSPECTION IS ALWAYS RECOMMENDED-EVEN IF YOU ARE BUYING A NEW PROPERTY. You should pay for a good one that gives you a full report upon completion, you should also plan to be present when the home inspection is performed - you will learn a LOT about the home you are purchasing and how to take care of it.</i>
Radon Inspection	\$175-250	<i>This is an optional addition to the home inspection and is done at the same time as the home inspection. Radon is common in the central Virginia area and the cost of the inspection could save you over \$2000 in a remediation system. If radon is detected you would then request the seller put the system in for you at no cost to you, prior to closing.</i>
Appraisal	\$450	<i>This is ordered by your (the buyer's) lender a few weeks before closing and you will have to pay for it at the time it is performed. An appraiser will go to the property and write a report stating the appraised value of the property based on a standard set of calculations. The lender requires this to make sure they are not lending more than the property appraises for.</i>