

COUNSELORS TITLE, LLC

Guidelines for Calculating Closing Costs

- I. Some General Principals
 - A. 'Tis better to overestimate than underestimate
 - B. First payment on a new loan will be due on the 1st day two months after the settlement (i.e., close in February, 1st payment is April 1)
 - C. Loan interest is paid in arrears
- II. Seller costs
 - A. Payoffs
 1. RoT: Add 1 payment to principal balance
 - B. Releases (\$95.00 per release, \$53 per release recordation)
 - C. Tax Adjustments (usually a credit in MD, debit in DC)
 - D. Transfer and Recordation Taxes (see below)
 - E. Settlement Fee(\$250.00), Courier(\$20),Wire(\$25 per), MD Withholding(\$45)
- III. Buyer costs
 - A. Transfer and Recordation Taxes
 1. Maryland (MoCo)
 - a. Total of 2.19 % of purchase price
Effective 3/1/08, add an additional .31% to the amount in excess of \$500,000
 - b. Parties split unless otherwise agree (almost 1.1% each)
 - c. FTMHB
 - i. exempt from State Transfer only
 - ii. Seller pay unless otherwise agree
 - d. Owner Occupant
 - i. 1st \$50K exempt from State Recordation only
 - ii. \$345.00 savings (\$172.50 each if split)
 2. D.C.
 - a. Total of 2.9% (if under \$400,000.00, total of 2.2%)
 1. Transfer Tax (Seller) 1.45% (1.1% if under \$400K)
 2. Recordation Tax (Buyer) 1.45% (1.1% if under \$400K)
 - b. parties split unless otherwise agreed (1.45% each)
 - B. Escrows
 1. Property taxes
 - a. Maryland (www.montgomerycountymd.gov/apps/tax (<http://www.montgomerycountymd.gov/apps/tax>))
 1. Tax year runs 7/1 to 6/30
 2. Taxes payable:
 - 9/30 (7/1 – 12/31)
 - 12/31(1/1 – 6/30)
 3. **need 11 months by September payment**
 4. Estimated Months of Escrow needed:
J(4);F(5);M(6);A(7);M(8);J(9); J(10);A(11);S(6);O(7);N(8);D(3)
 - b. D.C. (www.taxpayerservicecenter.com (<http://www.taxpayerservicecenter.com/>))
 1. Tax year runs 10/1 to 9/30
 2. Taxes payable:
 - 3/15 (10/1 – 3/30)
 - 9/15 (4/1 – 9/30)
 3. **need 8 months by March or September payment**
 4. Estimated Months of Escrow needed:
J(7);F(8);M(3);A(4);M(5);J(6);
J(7);A(8);S(3);O(4);N(5);D(6)
 2. Homeowner's coverage
 - a. Need 1 year up front plus 3 months
 - C. Title Insurance
 1. Figure \$4.50 per \$1,000.00 (\$5.70 for DC)
 2. [Ask us about possible reissue discount \(http://www.ctitle.net/saveMoney\)](http://www.ctitle.net/saveMoney)
 - D. Tax Adjustments (usually debit in MD, credit in DC)
 - E. One Title Fee, including title abstract (\$725)Purchase or (\$799) Re-Finance
 - F. Filing Fees
 1. MD: \$40.00 per document (estimate \$80.00)
 2. DC \$26.50(1st 2 pages) , then \$7.00 per page (estimate \$221.00)
 - G. Tax escrows by title company
 1. MD (September and December)

2. DC (March and September)

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