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**CLOSINGCORP REPORTS AVERAGE  
CLOSING COST DATA FOR REFINANCES IN 2020**

*Industry's First National Refinance Closing Report Shows Average Fees  
Accounted for Less Than 1 Percent of Loan Amount*

**SAN DIEGO, March 17, 2021** – [ClosingCorp](#), a leading provider of residential real estate closing cost data and technology for the mortgage and real estate services industries, today released its first national refinance closing cost report that showed the national average closing costs for a single-family residential property refinance last year were \$3,398 including taxes, and \$2,287 excluding taxes.

In contrast, closing costs for the average home purchase in 2020 were \$6,087 including taxes, and \$3,470 excluding taxes, the company said. The major differences: most states do not impose transfer and other local taxes on refinances nor is owner title insurance and a number of inspection fees typically required.

The national average tax bill at closing was \$1,111 for a refinance as compared to \$2,617 for a purchase transaction. Most third-party fees, including lender title, settlement service and land surveys were also lower for refinances, the report found. On average, the only major fee that was higher for refinances than for purchases was appraisals: \$530 for refinances vs \$519 for purchase. However, in 2020 appraisals were waived on a significant percentage of refinance transactions. For example, in August, the Urban Institute reported that waivers were accepted on 63 percent of rate/term refinances and 26 percent on cash-out refinances.

ClosingCorp refinance cost calculations include lender's title policy, appraisal, settlement, recording fees and various state and local taxes. ClosingCorp uses home price data from CoreLogic to estimate closing costs for an average home at the state, core-based statistical area (CBSA) and county levels. ClosingCorp uses ranges, rather than single values, to more accurately capture fees associated with the real transactions.



Dori Daganhardt, chief data officer of ClosingCorp, said: “Our first national refinance report analyzed data on more than 3.4 million single-family refinance transactions that ran through our Fees platform last year. Adjusting for the fact that borrowers shopped multiple lenders and other scenarios, this was nearly 40 percent of the total 2020 refinance market. We are reporting ‘market-specific’ rates and fees not just network averages charged by the most active settlement services providers in each geographic area.”

Commenting on what this means to consumers, Bob Jennings, chief executive officer of ClosingCorp, said: “The Federal Reserve’s actions in 2020 created a once-in-a-generation opportunity to refinance no matter how low a rate you already had. More than 6.7 million homeowners took advantage of this opportunity, and refinance volume jumped by more than 50 percent.”

“The cost of all the services needed to manufacture the average national residential refinance loan came to just 0.87 percent of the loan without taxes; 1.29 percent with them. So, in 2020, homeowners were able to get an amazing deal on both interest rates and closing costs. In fact, the average borrower is now saving more than \$2,000 annually.”

Jennings attributed much of the cost control to the increased use of technology by both lenders and settlement services providers which enabled the industry to scale up capacity while holding the line on closing costs.

The 2020 report shows the states with the highest average closing costs, including taxes, were: District of Columbia (\$13,722), New York (\$8,256), Pennsylvania (\$6,376), Washington (\$4,687), and New Jersey (\$4,645). The states with the lowest closing costs, including taxes, were: Missouri (\$1,290), Indiana (\$1,396), Arizona (\$1,662), Arkansas (\$1,785) and Iowa (\$1,803).

The states with the highest average closing costs, excluding taxes, were: New York (\$4,420), Hawaii (\$4,154), Texas (\$3,494), New Jersey (\$3,278), and Florida (\$3,251). The states with the lowest closing costs, excluding taxes, were: Missouri (\$1,290), Wisconsin (\$1,371), Illinois (\$1,374), Indiana (\$1,396) and Michigan (\$1,494).

For more information about this data, or for the full report which offers additional details, please visit: [closing.com/closingcosttrends](https://closing.com/closingcosttrends).

### Average Closing Costs by State

State	Average Loan Amount	Average Total Closing Costs with Taxes	Average Total Closing Costs without Taxes	Percentage of Loan Amount (With Taxes)
DC	\$ 568,535	\$ 13,722	\$ 3,124	2.41%
NY	\$ 352,314	\$ 8,256	\$ 4,420	2.34%
PA	\$ 179,252	\$ 6,376	\$ 2,236	3.56%
WA	\$ 388,142	\$ 4,687	\$ 2,296	1.21%
NJ	\$ 333,522	\$ 4,645	\$ 3,278	1.39%
FL	\$ 255,006	\$ 4,606	\$ 3,251	1.81%
HI	\$ 549,496	\$ 4,154	\$ 4,154	0.76%
TX	\$ 213,334	\$ 3,494	\$ 3,494	1.64%
MD	\$ 284,136	\$ 3,476	\$ 1,981	1.22%
CA	\$ 541,350	\$ 3,474	\$ 2,471	0.64%
OR	\$ 314,734	\$ 3,149	\$ 3,149	1.00%
WV	\$ 128,523	\$ 3,039	\$ 1,900	2.36%
SC	\$ 210,908	\$ 2,944	\$ 1,934	1.40%
NV	\$ 293,614	\$ 2,915	\$ 1,763	0.99%
CO	\$ 371,498	\$ 2,906	\$ 2,137	0.78%
MI	\$ 154,554	\$ 2,844	\$ 1,494	1.84%
ID	\$ 271,181	\$ 2,789	\$ 2,789	1.03%
NC	\$ 212,894	\$ 2,776	\$ 2,053	1.30%
VA	\$ 284,563	\$ 2,735	\$ 1,978	0.96%
GA	\$ 205,418	\$ 2,727	\$ 1,987	1.33%
CT	\$ 308,594	\$ 2,717	\$ 2,717	0.88%
MA	\$ 432,883	\$ 2,689	\$ 2,689	0.62%
LA	\$ 164,586	\$ 2,681	\$ 2,356	1.63%
NM	\$ 225,793	\$ 2,676	\$ 2,676	1.19%
DE	\$ 240,483	\$ 2,676	\$ 2,676	1.11%
AK	\$ 261,169	\$ 2,582	\$ 2,582	0.99%



State	Average Loan Amount	Average Total Closing Costs with Taxes	Average Total Closing Costs without Taxes	Percentage of Loan Amount (With Taxes)
OK	\$ 134,618	\$ 2,511	\$ 2,356	1.87%
MT	\$ 272,986	\$ 2,496	\$ 2,496	0.91%
VT	\$ 218,179	\$ 2,387	\$ 2,387	1.09%
MN	\$ 213,342	\$ 2,331	\$ 1,748	1.09%
NH	\$ 250,888	\$ 2,183	\$ 2,021	0.87%
OH	\$ 145,637	\$ 2,160	\$ 1,992	1.48%
UT	\$ 325,548	\$ 2,157	\$ 2,157	0.66%
TN	\$ 189,222	\$ 2,080	\$ 1,902	1.10%
KS	\$ 213,023	\$ 2,042	\$ 2,042	0.96%
MS	\$ 200,423	\$ 2,016	\$ 2,016	1.01%
NE	\$ 165,050	\$ 2,007	\$ 1,703	1.22%
WY	\$ 255,014	\$ 1,982	\$ 1,982	0.78%
RI	\$ 287,310	\$ 1,968	\$ 1,968	0.68%
ME	\$ 234,242	\$ 1,961	\$ 1,961	0.84%
IL	\$ 208,429	\$ 1,955	\$ 1,374	0.94%
ND	\$ 177,081	\$ 1,894	\$ 1,894	1.07%
KY	\$ 147,358	\$ 1,887	\$ 1,708	1.28%
AL	\$ 153,826	\$ 1,885	\$ 1,656	1.23%
WI	\$ 177,484	\$ 1,883	\$ 1,371	1.06%
SD	\$ 160,902	\$ 1,828	\$ 1,828	1.14%
IA	\$ 156,726	\$ 1,803	\$ 1,803	1.15%
AR	\$ 143,385	\$ 1,785	\$ 1,785	1.24%
AZ	\$ 271,904	\$ 1,662	\$ 1,662	0.61%
IN	\$ 166,003	\$ 1,396	\$ 1,396	0.84%
MO	\$ 177,915	\$ 1,290	\$ 1,290	0.72%

**CBSAs with the Highest Average Closing Costs without Taxes**

CBSA	Average Loan Amount	Average Total Closing Costs with Taxes	Average Total Closing Costs without Taxes	Percentage of Loan Amount Without Taxes
Key West, FL	\$548,646	\$7,844	\$4,947	.90%
Kapaa, HI	\$617,358	\$4,470	\$4,470	.72%
Naples-Marco Island, FL	\$453,048	\$6,830	\$4,367	.96%
New York-Newark-Jersey City, NY-NJ-PA	\$474,072	\$9,614	\$4,211	.89%
Urban Honolulu, HI	\$563,749	\$4,197	\$4,197	.74%

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New York-Newark-Jersey City, NY-NJ-PA	\$474,072	\$9,614	\$4,211	2.03%
Key West, FL	\$548,646	\$7,844	\$4,947	1.43%
Naples-Marco Island, FL	\$453,048	\$6,830	\$4,367	1.51%
Lancaster, PA	\$195,139	\$6,208	\$2,132	3.18%
Allentown-Bethlehem-Easton, PA-NJ	\$187,152	\$5,864	\$2,805	3.13%

### Counties with the Highest Average Closing Costs without Taxes

County	Average Loan Amount	Average Total Closing Costs with Taxes	Average Total Closing Costs without Taxes	Percentage of Loan Amount Without Taxes
New York, NY	\$1,072,389	\$28,048	\$7,464	.70%
Nassau, NY	\$549,776	\$10,649	\$6,572	1.20%
Kings, NY	\$764,697	\$19,012	\$5,634	.74%
Suffolk, NY	\$473,078	\$8,519	\$5,184	1.10%
Queens, NY	\$520,653	\$14,888	\$5,098	.98%

### Counties with the Highest Average Closing Costs with Taxes

County	Average Loan Amount	Average Total Closing Costs with Taxes	Average Total Closing Costs without Taxes	Percentage of Loan Amount with Taxes
New York, NY	\$1,072,389	\$28,048	\$7,464	2.62%
Kings, NY	\$764,697	\$19,012	\$5,634	2.49%
Queens, NY	\$520,653	\$14,888	\$5,098	2.86%
District of Columbia	\$568,535	\$13,722	\$3,124	2.41%
Bronx, NY	\$401,170	\$12,391	\$4,672	3.09%



## **Methodology**

ClosingCorp average closing costs are defined as the average fees and taxes required to close a conventional refinance transaction in a geographical area. These costs consist of fees from the following service types: title policies (lenders only as owner's policy doesn't apply for refinances), appraisals, settlement fees, recording fees, land surveys and taxes related to the refinance.

Actual closing fees for 3.4 million single-family refinances from January 1 through December 31, 2020 were analyzed. Average loan amounts were estimated as 80% of average home prices (source: CoreLogic, a leading global property information, analytics and data-enabled solutions provider). Homes within a \$100,000 range of this estimated average loan amount were used to estimate closing costs for an average single family residential home at the state, core-based statistical area (CBSA) and county levels.

The average service type component fee was computed for every geographical area where at least 10 transactions occurred in the specified range during the period under review. Total cost to close was then computed as the sum of the service type averages. Land survey fees only were included for Florida and Texas single-family homes where land surveys are required. Cost to close was computed with and without taxes.

## **About ClosingCorp**

Headquartered in San Diego, Calif., ClosingCorp owns and operates the premier source of intelligence for closing costs and service providers in the U.S. residential real estate industry. Through innovative solutions, progressive technologies and strong alliances, the company delivers timely, accurate and transparent results that help optimize closing processes and services for mortgage lenders, title and settlement companies and real estate professionals. Clients rely on ClosingCorp to help improve efficiencies and mitigate risk. For more information, please visit [www.closing.com](http://www.closing.com).

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