

### **Average Closing Costs for Purchase Mortgages Increased 13.4% in 2021, CoreLogic's ClosingCorp Reports**

- *Closing costs kept pace with rapidly increasing home prices and purchase volumes*
- *The Eastern region of the U.S. had the highest average closing costs in 2021, with Washington, D.C. topping the list at \$29,888*

**Irvine, Calif., April 21, 2022** – [CoreLogic's ClosingCorp](#), a leading provider of residential real estate closing cost data and technology for the mortgage and real estate services industries, today released its most recent Purchase Mortgage Closing Cost Report which showed that in 2021, the national average for mortgage closing costs for a single-family property were \$6,905 including transfer taxes and \$3,860 excluding transfer taxes. These amounts represent a 13.4% and 11.2% year-over-year increase, respectively.

#### **Key Takeaways:**

- The average U.S. home price increased by more than \$50,000 last year, while the average purchase closing costs increased by \$818 including taxes and \$390 excluding taxes.
- Despite an increase in the absolute dollar amounts of closing fees, closing costs as a percentage of home sales prices were down slightly from 2020.
- Average purchase fees as a percentage of the average sales price in 2021 were 1.81% compared to 1.85% in 2020 and when taxes are excluded, were 1.01%, down from 1.06% in 2020.

“As the mortgage industry comes off two years of record-low interest rates and red-hot consumer demand, lenders are now pivoting to address increasing headwinds from higher loan origination costs and lower origination volumes,” said Bob Jennings, executive, CoreLogic Underwriting Solutions. “The Mortgage Bankers Association recently reported lender origination costs show a 13.2% year-over-year increase, which corresponds closely to the 13.4% increase we are seeing on purchase mortgage closing costs. As the market tightens in 2022, it will be interesting to see how lenders and borrowers respond and how these key metrics move.”

### State and Metro Takeaways:

- The 2021 report shows the states with the highest average closing costs, including transfer taxes, were Washington, D.C. (\$29,888), Delaware (\$17,859), New York (\$16,849), Maryland (\$14,721) and Washington (\$13,927). The states with the lowest closing costs, including taxes, were Missouri (\$2,061), Indiana (\$2,200), North Dakota (\$2,501), Wyoming (\$2,589) and Mississippi (\$2,756). The most significant drivers to differences in closing costs were the types and percentages of imposed specialty and transfer taxes.
- The states with the highest average closing costs, excluding taxes, were Washington, D.C. (\$6,502), New York (\$6,168), Hawaii (\$5,879), California (\$5,665) and Massachusetts (\$4,904). The states with the lowest closing costs, excluding taxes, were Missouri (\$2,061), Indiana (\$2,200), Nebraska (\$2,210), Arkansas (\$2,281) and West Virginia (\$2,465).
- At the metro level, those with the highest average fees with taxes were primarily in the Eastern region of the United States including Vineyard Haven, Massachusetts (\$28,724); Bremerton-Silverdale-Port Charlotte, Washington (\$16,003) and Salisbury, Maryland and Delaware; (\$15,723). Comparatively, metros with highest average fees without taxes were in Santa Maria-Santa Barbara, California (\$7,063); Kahului-Wailuku-Lahaina, Hawaii (\$7,016) and San Jose-Sunnyvale-Santa Clara, California (\$6,412).

Cost calculations include the lender's title policy, owner's title policy, appraisal, settlement, recording fees, land surveys and transfer tax. The calculations use home price data from CoreLogic to estimate closing costs for an average home at the state, core-based statistical area (CBSA) and county levels. Ranges, rather than single values, are used to more accurately capture fees associated with the real transactions.

On May 5, 2022, CoreLogic's ClosingCorp will be releasing the annual 2021 Refinance Mortgage Closing Cost Report.

**Table 1: Average Closing Costs by State**

State	Avg Home Price	Avg Total Closing Costs with Taxes	Avg Total Closing Costs without Taxes	Percentage of Sales Price (with Taxes)
District of Columbia	\$769,351	\$29,888	\$6,502	3.9%
Delaware	\$329,931	\$17,859	\$3,888	5.4%
New York	\$538,102	\$16,849	\$6,168	3.1%
Maryland	\$400,544	\$14,721	\$4,459	3.7%
Washington	\$579,324	\$13,927	\$4,862	2.4%
Pennsylvania	\$248,561	\$10,634	\$4,221	4.3%
Connecticut	\$419,149	\$8,821	\$4,108	2.1%
Florida	\$375,368	\$8,554	\$4,498	2.3%
New Hampshire	\$351,365	\$8,183	\$2,804	2.3%
Massachusetts	\$604,986	\$7,964	\$4,904	1.3%
California	\$793,424	\$7,953	\$5,665	1.0%
New Jersey	\$461,488	\$7,915	\$4,158	1.7%
Vermont	\$306,703	\$7,906	\$3,500	2.6%
Hawaii	\$789,760	\$7,463	\$5,879	0.9%
Nevada	\$426,220	\$6,383	\$4,222	1.5%
Virginia	\$379,083	\$6,346	\$3,461	1.7%
Illinois	\$283,313	\$5,929	\$4,733	2.1%
Michigan	\$209,783	\$5,714	\$3,511	2.7%
Rhode Island	\$412,037	\$5,568	\$3,419	1.4%
Utah	\$488,644	\$4,837	\$4,837	1.0%
Arizona	\$409,930	\$4,701	\$4,701	1.2%
Texas	\$302,672	\$4,548	\$4,548	1.5%
Maine	\$330,505	\$4,420	\$2,864	1.3%
Oregon	\$464,666	\$4,327	\$3,862	0.9%
Ohio	\$207,480	\$4,223	\$3,346	2.0%
Idaho	\$424,023	\$4,082	\$4,082	1.0%
Minnesota	\$296,790	\$4,011	\$2,592	1.4%
Tennessee	\$280,571	\$3,911	\$2,694	1.4%
Colorado	\$536,795	\$3,881	\$3,806	0.7%
Georgia	\$294,171	\$3,762	\$2,863	1.3%
Louisiana	\$223,253	\$3,711	\$3,386	1.7%
Alaska	\$348,526	\$3,581	\$3,581	1.0%
New Mexico	\$316,010	\$3,513	\$3,513	1.1%
Wisconsin	\$236,119	\$3,459	\$2,692	1.5%
South Carolina	\$298,817	\$3,447	\$2,501	1.2%
North Carolina	\$306,300	\$3,406	\$2,642	1.1%
West Virginia	\$191,011	\$3,406	\$2,465	1.8%
Montana	\$406,544	\$3,337	\$3,337	0.8%
Iowa	\$201,306	\$3,146	\$2,741	1.6%
Arkansas	\$204,451	\$3,115	\$2,281	1.5%
South Dakota	\$232,564	\$3,105	\$2,843	1.3%
Alabama	\$216,931	\$2,986	\$2,623	1.4%
Oklahoma	\$188,899	\$2,893	\$2,507	1.5%
Kentucky	\$202,108	\$2,802	\$2,546	1.4%
Kansas	\$284,057	\$2,793	\$2,793	1.0%
Nebraska	\$227,363	\$2,781	\$2,210	1.2%
Mississippi	\$268,416	\$2,756	\$2,756	1.0%
Wyoming	\$352,788	\$2,589	\$2,589	0.7%
North Dakota	\$243,312	\$2,501	\$2,501	1.0%
Indiana	\$233,584	\$2,200	\$2,200	0.9%
Missouri	\$245,985	\$2,061	\$2,061	0.8%

**Table 2: CBSAs with the Highest Average Closing Costs with Taxes**

CBSA	Average Home Sales Price	Average Total Closing Costs with Taxes	Percentage of Sales Price
Vineyard Haven, MA	\$942,497	\$28,724	3.1%
Bremerton-Silverdale-Port Orchard, WA	\$695,882	\$16,003	2.3%
Salisbury, MD-DE	\$315,082	\$15,723	5.0%
Dover, DE	\$271,999	\$13,799	5.1%
New York-Newark-Jersey City, NY, NJ, PA	\$549,931	\$13,596	2.5%

Source: CoreLogic 2021

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**Table 3: CBSAs with the Highest Average Closing Costs without Taxes**

CBSA	Average Home Sales Price	Average Total Closing Costs without Taxes	Percentage of Sales Price
Santa Maria-Santa Barbara, CA	\$1,359,545	\$7,063	0.5%
Kahului-Wailuku-Lahaina, HI	\$904,994	\$7,016	0.8%
San Jose-Sunnyvale-Santa Clara, CA	\$1,240,797	\$6,412	0.5%
Santa Cruz-Watsonville, CA	\$1,263,440	\$6,363	0.5%
Stockton, CA	\$1,042,191	\$6,137	0.6%

Source: CoreLogic 2021

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**Table 4: Counties with the Highest Average Closing Costs with Taxes**

County	Average Home Sales Price	Average Total Closing Costs with Taxes	Percentage of Sales Price
New York, NY	\$1,105,834	\$58,619	5.3%
Dukes MA	\$942,497	\$28,724	3.1%
Kings, NY	\$684,141	\$28,239	4.1%
Queens, NY	\$581,653	\$25,848	4.4%
Richmond, NY	\$574,976	\$24,579	4.3%

Source: CoreLogic 2021

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**Table 5: Counties with the Highest Average Closing Costs without Taxes**

County	Average Home Sales Price	Average Total Closing Costs without Taxes	Percentage of Sales Price
New York, NY	\$1,105,834	\$8,973	0.8%
Norfolk, MA	\$1,313,178	\$7,433	0.6%
Nassau, NY	\$478,324	\$7,300	1.5%
Santa Barbara, CA	\$1,359,545	\$7,063	0.5%
Maui, HI	\$904,994	\$7,016	0.8%

Source: CoreLogic 2021

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## **Methodology**

CoreLogic's ClosingCorp average closing costs are defined as the average fees and transfer taxes required to close a conventional purchase transaction in a geographical area. These costs consist of fees from the following service types: title policies (both owners and lenders), appraisals, settlement fees, recording fees, land surveys and transfer tax.

Actual closing fees for 4.4 million single-family home purchases from January 1 through December 31, 2021 were analyzed. Homes within a \$100,000 range of the average home price (source CoreLogic) 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 transfer taxes.

## **About CoreLogic**

CoreLogic, a leading provider of property insights and solutions, promotes a healthy housing market and thriving communities. Through its enhanced property data solutions, services and technologies, CoreLogic enables real estate professionals, financial institutions, insurance carriers, government agencies and other housing market participants to help millions of people find, buy and protect their homes. For more information, please visit [www.corelogic.com](http://www.corelogic.com).

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