Who Pays for What?

A customary guide to buyer & seller costs in a Texas closing

In Texas, most closing costs are **customary but negotiable** — your sales contract ultimately controls who pays. Here's how costs are typically divided in a residential transaction. Your Texans First escrow officer prepares an exact figure for your file.

THE SELLER CUSTOMARILY PAYS

- Real estate commissions
- Owner's Title Insurance policy premium (customary for the seller in most Texas markets)
- One-half of the escrow / closing fee
- Payoff of all loans in the seller's name, plus accrued interest
- Release and recording charges to clear the seller's liens and documents
- Any judgments, tax liens, or involuntary liens in the seller's name
- Property taxes due, plus the seller's share of prorated taxes
- HOA dues, transfer, and resale-certificate fees (per contract)
- Any bonds or special assessments
- Home warranty, if provided per the contract

THE BUYER CUSTOMARILY PAYS

- All new loan charges and lender fees
- Prepaid and prorated interest on the new loan
- One-half of the escrow / closing fee
- Lender's (Mortgagee) Title Insurance policy premium
- Homeowner's insurance — first-year premium
- Inspection and appraisal fees
- Any lender-required title endorsements
- A new survey, if required and not the seller's obligation
- Recording charges for documents in the buyer's name
- The buyer's share of prorated taxes (from the closing date)

Customary is not required. Every item above is negotiable in your TREC contract. Read your contract carefully and ask your Texans First escrow officer if anything is unclear.