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OFFERPREP GUIDE · NORTH CAROLINA

NC Closing Costs Guide

Who typically pays what in a North Carolina purchase, the fees set by statute, title insurance, prepaids, and what you can negotiate.

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Closing costs in North Carolina follow a few local rules: attorneys handle closings, the seller pays the state excise tax, and the standard purchase contract (Form 2-T) sets default rules for who pays what. This guide explains those defaults. It doesn't estimate fees, except where the amount is set by statute.

01 Attorney Closings in NC

The North Carolina State Bar has determined that most acts and services required for a closing are the practice of law and must be done by an NC-licensed attorney. Form 2-T notes that the NC Bar Association and NC REALTORS® take the position that **all buyers should hire an attorney** to close their transaction. Under the form, settlement happens at a time and place designated by the buyer, so buyers typically choose the closing attorney.

02 Who Typically Pays What (Form 2-T Defaults)

These are the standard contract's defaults. Anything can be negotiated in writing.

Buyer generally pays	Seller generally pays

All costs of the buyer's loan	Preparing the deed and other documents the seller must deliver
Appraisal	State and county **excise tax** (see section 03)
Title search and title insurance	Any deferred, discounted, or rollback taxes, and local conveyance fees required by law
Attorney fees for preparing the Closing Disclosure and settlement statements	Paying off existing loans and liens
Recording the deed	Owners' association special assessments approved before settlement
Preparing and recording the deed of trust for the new loan	HOA disclosure, account statement, and ownership-transfer fees
HOA charges for lender information, working capital or move-in fees, and covenant compliance checks	Property tax late-listing penalties, if any

Prorations: unless otherwise agreed, property taxes on real property are prorated on a calendar-year basis, with the seller responsible through the date of settlement. Owners' association dues are prorated too.

03 NC Statutory Fees

Fee	Amount set by statute	Usually paid by
Excise tax on the deed (N.C.G.S. § 105-228.30)	**$1 for each $500**, or fractional part, of the consideration or value conveyed. Paid to the Register of Deeds before the deed is recorded.	Seller (the statute places it on the transferor)
Recording a deed (N.C.G.S. § 161-10)	$26 for the first 15 pages, plus $4 for each additional page	Buyer (Form 2-T)
Recording a deed of trust (N.C.G.S. § 161-10)	$64 for the first 35 pages, plus $4 for each additional page	Buyer (Form 2-T)

Statutes checked October 17, 2026 on ncleg.gov. Additional charges can apply in some cases, such as nonstandard documents.

04 Title Insurance

Lender's policy

Most lenders require one. It protects the amount they lend.

Owner's policy

Optional, but it can protect *your* investment if someone later claims an interest in the home from before you bought it, such as unpaid taxes or contractor liens.

Shopping

You can usually shop for title insurance separately from your mortgage. Buying both policies from the same provider usually costs less overall.

05 Prepaids and Escrow Deposits

Prepaid interest	Daily interest from closing day to the period your first payment covers (Section F of your Loan Estimate and Closing Disclosure)
Homeowners insurance	Lenders usually require a policy in place at closing. The CFPB notes you'll usually pay the first 6 to 12 months of premiums at or before closing.
Initial escrow deposit	Seeds your escrow account for future taxes and insurance, plus a cushion that federal rules cap at 1/6 of the year's estimated escrow bills (Section G).
NC property taxes	County property taxes are due September 1 and can be paid without interest through January 5. Your closing date affects how much is collected up front.

06 What's Negotiable

With the seller	Seller concessions toward your closing costs, prepaids, or points (within loan program limits), who pays which HOA fees, a home warranty, and repairs. Put any agreement in writing.
With your lender	Origination charges, points and lender credits, and rate lock terms. Compare Loan Estimates and ask.
Your own choices	Your closing attorney, homeowners insurance company, and services the lender lets you shop for (Section C), such as title services or a survey
Generally not negotiable	Statutory recording fees, excise tax, and property taxes

07 Checklist

- ☐ Choose your closing attorney early
- ☐ Decide on an owner's title policy
- ☐ Shop homeowners insurance and set it up before closing
- ☐ Review the seller concession terms in your contract
- ☐ Compare your Closing Disclosure to your last Loan Estimate
- ☐ Confirm property tax proration on the settlement statement
- ☐ Verify wiring instructions by phone with your attorney
- ☐ Ask what you'll receive after recording

08 FAQ

Does the buyer pay the NC excise tax?

Usually not. The statute requires the transferor (the seller) to pay it before the deed is recorded, and Form 2-T assigns it to the seller.

Can we change who pays what?

Yes. Form 2-T's allocations are defaults. The parties can agree otherwise in writing, subject to loan program rules.

Why are my estimated taxes different from the listing?

Tax amounts depend on the county and city rates, the assessed value, and your closing date. Check with the county tax office or your attorney.

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Based on the NC REALTORS®/NC Bar Association Offer to Purchase and Contract (Form 2-T, 2026 revisions), N.C.G.S. § 105-228.30, N.C.G.S. § 161-10, N.C.G.S. § 105-360, and CFPB guidance on owner's title insurance, prepaid interest, and escrow accounts (12 CFR 1024.17). Statutes checked October 17, 2026. This guide is for informational purposes only and is not legal, tax, or financial advice. Consult a licensed NC real estate attorney.

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