

The True Cost of Homeownership

Understanding What *Really* Impacts Borrower Costs

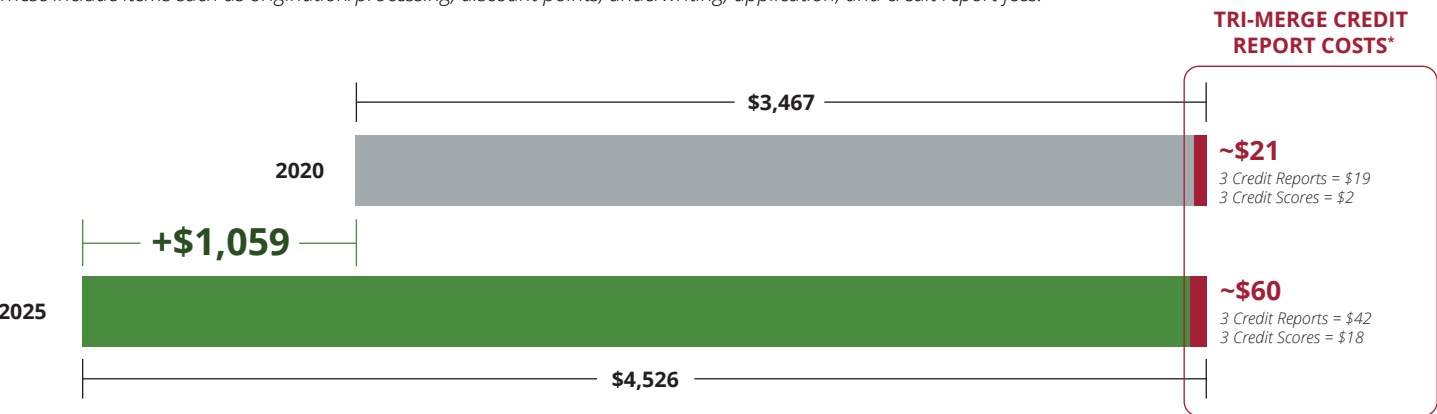
Homeownership is a significant milestone, representing the largest investment most people will ever make. Today, that investment is more daunting than ever as closing costs and recurring monthly fees continue to climb. **This infographic helps distinguish which expenses are truly driving the surge.**

Closing Costs Are Increasing, But Credit Costs Remain Low

Closing costs are typically variable and paid by the borrower.

Lender-Related Closing Costs

These include items such as origination/processing, discount points, underwriting, application, and credit report fees.



Tri-merge credit reports (credit data + scores) account for less than 1.5% of closing costs.

Third-Party Closing Costs

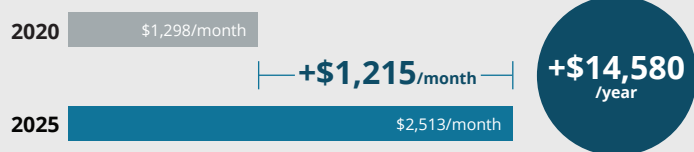
These include items such as title, legal, recording, and document fees, transfer taxes, prepaids, and escrow.



Recurring Costs Are Substantial and Rising

Comparing the average monthly and annual costs in 2020 to 2025.

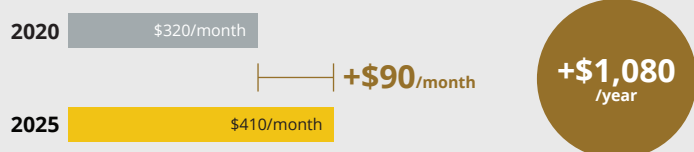
Principal and Interest (P&I)



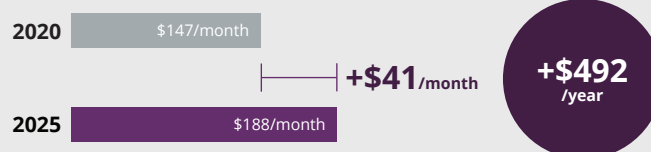
Homeowners Insurance



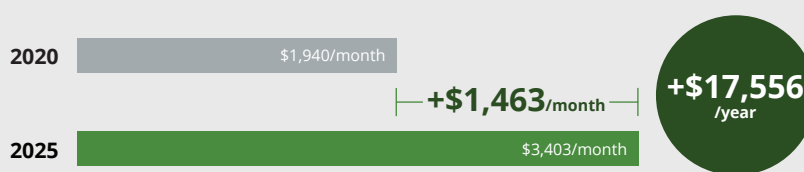
Property Taxes



Private Mortgage Insurance (PMI)



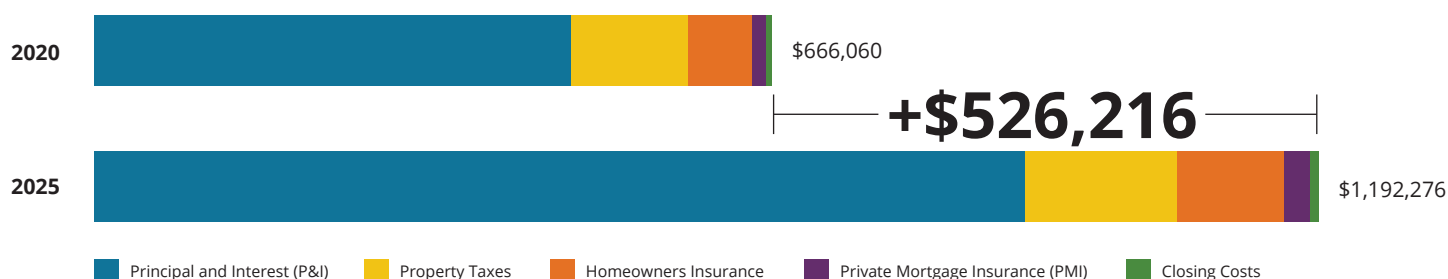
Overall, the average recurring costs of homeownership increased from 2020–2025 by **\$1,464/month** or **\$17,556/year**.



The Total Cost of Homeownership Jumps \$526K in 5 Years

The following data compares a 95% Loan-to-Value (LTV) conventional loan on a median-priced home in 2020 (\$320,000 at a 3.1% rate) versus 2025 (\$410,000 at a 6.7% rate).

The cost of credit in 2025 is **0.005%** of the total cost of homeownership.



Increased homeownership costs are driven by home price inflation, high interest rates, and increasing taxes and insurance — not credit reports. Representing less than 1.5% of closing fees, the credit report is a small, essential cost that provides the transparency needed to unlock homeownership.

Lenders do not have to pull all three reports early in the process. There are solutions and options to lower overall cost of credit.

Sources: FICO Fee Increase Report (MPA Mag), CoreLogic/ClosingCorp Cost Data, Philadelphia 2025 Fee Schedule, National Association of REALTORS® (NAR) Historic Data, St. Louis Fed (FRED) Median Sales Price Q1-Q2 2020, St. Louis Fed (FRED) Median Sales Price 2025 Data, Zillow Housing Market Overview 2025, Bankrate: Mortgage Rate History 2025, Equifax Internal Pricing Data

*Tri-merge Credit Report Costs assumes the Equifax fee is \$6 in 2020 and \$12 in 2025 at the time of publication.

Find more information on mortgage and housing trends at [equifax.com/business/trends-insights/mortgage-housing-trends](https://www.equifax.com/business/trends-insights/mortgage-housing-trends)

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