Money Already Paid vs. Money Still Due at Closing

Earnest money paid earlier is not automatically an extra cost on top of everything due at closing. In this fictional completed purchase, the deposit is credited toward the buyer's purchase-related amount.

$400,000 home · Simplified fictional example

Down payment - 5%	**$20,000**
Sample all-in closing costs - 3%	**+$12,000**
Subtotal before prior payments and credits	**$32,000**
Earnest money already paid and credited	**−$5,000**
Estimated amount still due at closing	**About $27,000**

$5,000 already paid + about $27,000 still due = $32,000

The payment is split across stages. The deposit is not added again.

Visible assumptions

The 3% closing-cost figure is a fictional planning assumption, not a quote or universal percentage. It already includes the example's prepaids and initial escrow funding.

This example assumes no seller or lender credits, financed closing costs, other adjustments, or other closing costs already paid. Moving expenses and savings retained after purchase are outside this example.

What about other money already paid?

If you paid an appraisal, insurance premium, or another expense earlier, ask where that payment is reflected. A receipt does not automatically mean you should subtract it again from the document's cash-to-close figure.

Check before subtracting

Already included means already counted. If your Loan Estimate or Closing Disclosure already accounts for your deposit or another prior payment, do not subtract it again. Ask your lender or settlement professional to explain an amount that appears missing or incorrect.

Discuss

1. How much has already been paid in this example?
2. Where would you check that a prior payment was included?

Educational example - not loan approval, a spending recommendation, or an official closing figure. Sources do not imply CFPB endorsement.

CFPB: Loan Estimate explainer   Closing Disclosure explainer   Official interpretations, section 1026.38

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