

# HOMEBUYER GUIDE





Buying a home is often the biggest—and most important—investments in your life. That's why choosing the best mortgage option for your unique situation is important to ensure your money is working to your greatest advantage, now and in the future.

We take pride in our ability to find a practical mortgage solution with terms to fit your needs. We are committed to keeping you informed throughout the loan process and ensuring you have an enjoyable mortgage experience.

THE COMPLETE GUIDE TO HOME BUYING is a handy reference to provide you with clear, easy-to-understand explanations of the terms and procedures you'll encounter during the home loan process. Keep this guide with you as you search for your new home, arrange for the perfect mortgage and make the final purchase.

Don't hesitate to call your Loan Officer if you have any questions or need assistance during the home buying process. Helping you finance and purchase your new home is our top priority!



A DIVISION OF AMERICAN PACIFIC MORTGAGE CORPORATION | NMLS 1850 | US LENDING COMPANY IN CA, APAC IN AZ, OR, AND ID



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# YOUR **LOAN** OFFICER

## Cindy Tomlinson

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Having been a loan officer since 2006, Cindy's goal is to create lasting relationships with each of her clients. Most of her mortgage and home loan business comes from realtor and past client referrals. In 2019, Dan Conley passed the torch of US Lending on to Cindy and she is both grateful and honored to be steering the ship. The USL branch has been a cornerstone in the Redding community for over 25 years and with great promise she looks into the future with longevity. Cindy lives, works and plays here in the North State with her family, which now includes a beautiful grandson! She looks forward to serving this community and helping you reach your lending, financial and homeownership goals. Whether you are purchasing in California or moving out of state, she can help make the loan process a smooth transition as she is licensed in multiple states.



**SCAN TO APPLY NOW!**

## ASK ABOUT MY MOBILE APP



Apply for  
a loan



Calculate  
payment scenarios



Securely upload  
documents



Alerts &  
reminders



Quick  
communication





# ABOUT **OUR COMPANY**

As a company, we embrace homeownership with enthusiasm and optimism for housing in America. Every employee takes personal ownership in **CREATING EXPERIENCES THAT MATTER™** for our customers. Every transaction represents a family—a home, a life decision. We understand and value that our participation is a privilege. It's our job to delight everyone involved in the loan process.

**CREATING**  
*Experiences*  
THAT **MATTER™**



# THE SIX STEPS TO **HOMEOWNERSHIP**

There are several steps that will occur throughout your new home purchase process. This guide will help you fully understand the journey for a successful mortgage:

STEP  
1



**DETERMINE  
DOWN PAYMENT &  
CREDIT SCORES**

STEP  
2



**APPLY FOR  
PRE-APPROVAL WITH  
YOUR LOAN OFFICER**

STEP  
3



**FIND AN  
AGENT & HOME**

STEP  
4



**MOVE THROUGH THE  
LOAN PROCESS**

STEP  
5



**CLOSE ON  
YOUR LOAN**

STEP  
6



**UNDERSTAND  
MONTHLY MORTGAGE  
PAYMENTS**



## **YOUR ROLE:**

- › Meet with a Loan Officer to discuss your goals and budget
- › Complete application and required documents to receive loan approval
- › Communicate with your real estate agent about expectations and preferences
- › Be ready and accessible with information, signatures and requirements to close transaction

# HOMEBUYER CHECKLIST

Buying your first home is an exhilarating time. Here's a checklist of ways you can get prepared for your new adventure.

## CREDIT

Current Score: \_\_\_\_\_

Need to improve score?    Y    N

Goal Score: \_\_\_\_\_

Debt to pay down: \_\_\_\_\_

## BUDGET

Maximum Home Price: \_\_\_\_\_

Comfortable home price: \_\_\_\_\_

Maximum monthly payment: \_\_\_\_\_

Comfortable monthly payment: \_\_\_\_\_

## DOWN PAYMENT

Amount saved now: \_\_\_\_\_

Savings goal: \_\_\_\_\_

Time until met: \_\_\_\_\_

## FINANCING

- ☐ Meet with Loan Officer
- ☐ Pre-approval letter in hand?    Y    N
- ☐ Determine where you have flexibility
- ☐ Gather important documents
  - ☐ Tax returns/W-2's
  - ☐ Pay stubs
  - ☐ Bank statements

## HOME WISH LIST

- ☐ Location
- ☐ Size
- ☐ Bedrooms/Bathrooms
- ☐ Lot size
- ☐ Must haves

## MEET WITH REAL ESTATE AGENT

- ☐ Begin house hunting
- ☐ Narrow down choices
- ☐ Pick your home
- ☐ Make an offer

## CLOSING

- ☐ Home inspection
- ☐ Appraisal
- ☐ Closing conditions
- ☐ Arrange for homeowners insurance
- ☐ Sign final paperwork
- ☐ Pick up keys!



# FIGURE OUT **DOWN PAYMENT** & **CREDIT SCORES**

Buying a home requires some upfront cash, including your down payment and closing costs. Financial experts typically recommend a down payment as low as 20% of the purchase price. However, you can **PURCHASE A HOME WITH A DOWN PAYMENT AS LOW AS 0–3%** of the purchase price.

## WHAT IS A DOWN PAYMENT?

A down payment is the amount of cash put toward the purchase of a home. A minimum down payment generally ranges from 3% up to 20% of the home's purchase price, though there are loan programs with zero down payment requirements.

### FOR THESE PROGRAMS YOU CAN GET DOWN PAYMENTS AS LOW AS:

- › Conventional Loan: **3%–20%**
- › Down Payment Assistance/  
State Housing: **0–3.5%**
- › FHA Loan: **3.5%**
- › Jumbo Loan: **10%–20%**
- › Specialty Products: **5–20%**
- › USDA Loan: **0%**
- › VA Loan: **0%**

## How much do you need to save?

A conversation with your Loan Officer can help determine how much of a down payment you need based on several factors, including:



### **PURCHASE PRICE**

A more expensive home may require a higher down payment.



### **MONTHLY PAYMENT**

More money down means smaller monthly payments.



### **INTEREST RATE**

A larger down payment could generate a lower rate.



# WHAT'S YOUR CREDIT SCORE?

While you're working on saving for your down payment, keep an eye on your credit score. Your credit score is a number that indicates how much of a credit risk you pose when you borrow money. It also helps determine your interest rate. Typically, the higher your score, the lower your rate.

## THERE ARE THREE DIFFERENT CREDIT SCORES AGENCIES

**EQUIFAX** (*BEACON*), **EXPERIAN** (*FICO Risk Model*), and **TRANS UNION** (*FICO Risk Score, Classic*).

Often, when you're shopping for a mortgage, you may look for the best rate from multiple lenders. Each lender may pull your credit report, which is typically bad for your score. However, credit reporting agencies distinguish a single loan search from a search for many new credit lines by the length of time the inquiries occur. **AVOID LOWERING YOUR SCORE BY COMPLETING YOUR RATE SHOPPING WITHIN A SHORT PERIOD OF TIME, SUCH AS 14 DAYS.**



## HOW FICO® SCORES ARE CALCULATED

# 35%

### PAYMENT HISTORY

- › Has credit been paid on time in the past?
- › Overall 'good picture' outweighs a few late payments.
- › Public records & collection items can have a big negative impact.

# 30%

### AMOUNT OWED

- › Owing money doesn't necessarily mean high risk.
- › Close to 'maxed out' on available credit could be a sign of being overextended.
- › The number of accounts with balances matters.
- › Low usage of revolving debt often benefits credit score vs. no usage.

# 20%

### IN USE AND NEW CREDIT IN USE:

- › Usually not a key factor; more important with shorter credit histories.
- › A mix of different types of credit accounts can help scores.

### NEW CREDIT

- › Opening several accounts in a short period of time represents greater risk.
- › Inquiries have a small impact on scores; many types of inquiries are ignored.
- › FICO scores allow for 'rate shopping.'

# 15%

### LENGTH OF CREDIT

- › Longer credit history is generally beneficial.
- › Age of oldest, newest & average accounts are considered.
- › How long have specific accounts been established and used?



# APPLY FOR **PRE-APPROVAL** WITH YOUR LOAN OFFICER

Before you begin looking for your dream home, it's important to know which homes are within your monthly mortgage payment price range. This will help you avoid falling in love with homes you cannot afford and ensure your home fits into your future financial plans.

## OTHER ADVANTAGES TO PRE-APPROVAL

- › Save time, energy and frustration as you move through the home buying process.
- › Determine how much you can afford based on your debt, income and credit.
- › Estimate how much money you will need for closing costs and a down payment.
- › Add validity and strength to offers you make. Sellers are more likely to accept an offer from you if you are pre-approved because it shows you are serious about buying a home and have already taken steps toward obtaining a mortgage.

## TO BECOME PRE-APPROVED, CALL YOUR LOAN OFFICER

The tips below will help ensure you provide accurate information that results in a simple loan approval:

### › MAKE SURE YOUR FINANCIAL DOCUMENTS ARE READY.

You are not required to submit any documents right away, but having the supporting financial documents readily available can help speed up the loan approval process. A Loan Processor will gather and review documents from you as necessary.



## DOS AND DON'TS TO HELP YOUR LOAN PROCESS GO SMOOTHLY

### DO

- › Be truthful about any credit problems and accurately report your debts
- › Fully document any gift funds
- › Be honest about your intentions to occupy the house
- › Make existing credit and loan payments on time
- › Tell us if you need to move within a specific time frame
- › Continue working at your current employer (*don't switch jobs*)
- › Be sure to read and understand what you sign
- › Give notice if you cannot attend the closing
- › Call anytime with questions or if something changes easier to alert your Loan Officer as soon as possible so can update your loan file to ensure approval remains valid.

## GO EVEN FURTHER AND GET **APPROVED BEFORE YOU SHOP**



Write a stronger offer and stand out in a competitive market!  
We'll close on time or we'll pay you—or the SELLER—\$2,000\*

\*Commitment not available in Oregon. Terms and conditions apply. Visit [www.apmortgage.com/kot](http://www.apmortgage.com/kot) for full details or you may ask for a printed copy of the terms.

Get approved with our **KEYS ON TIME PROGRAM** before you shop for a home and present your offer with an on-time closing commitment. Sweeten your offer even more by assigning the commitment to the seller!



### **CONNECT**

Speak to a Loan Officer, apply & receive your conditional loan approval before you shop for a home



### **COMPLETE**

You do your part, and we'll do ours. Your timely responses are needed to close on time.



### **CELEBRATE**

We'll meet your closing date, or you or your seller get paid. So go ahead and start packing!

### **DON'T**

- › Make major purchases before the closing: new car, furniture, appliances, etc.
- › Change your income tax returns
- › Overstate your assets or income
- › Open new credit cards or close old credit cards
- › Quit or change jobs during the mortgage process
- › Buy property for someone else or co-sign loans for friends or family (*or anyone*) during your loan process
- › Make any large deposits, open new accounts or bounce checks
- › Overstate how long you've been employed
- › Pack important paperwork, making it inaccessible



# COMMONLY REQUESTED DOCUMENTS

- ☐ **W2 FORMS FOR THE LAST TWO YEARS**  
*(current and/or past employer(s))*
- ☐ **PERSONAL TAX RETURNS FOR THE LAST TWO YEARS**  
*(including all pages and all schedules, with your signature at the bottom of Page 2 of each return )*
- ☐ **CORPORATE TAX RETURNS FOR THE PAST TWO YEARS** *(if you're self-employed)*  
*(including all pages, schedules and K-1s)*
- ☐ **CURRENT PAYSTUBS COVERING A FULL 30-DAY PERIOD** *(review to ensure they include a year-to-date history)*
- ☐ **BANK STATEMENTS FOR ALL ACCOUNTS FROM THE LAST TWO MONTHS, INCLUDING ALL PAGES, EVEN IF THEY'RE BLANK** *(we cannot use online bank print outs or screenshots)*
- ☐ **401K AND/OR RETIREMENT STATEMENTS**  
*(your most current statements, all pages)*
- ☐ **INSURANCE DECLARATION PAGE, INCLUDING HOMEOWNERS INSURANCE AGENT NAME AND PHONE NUMBER**
- ☐ **COPY OF MORTGAGE STATEMENT(S) FOR ALL PROPERTIES OWNED**  
*(most current statements, all pages)*
- ☐ **COPY OF DRIVERS LICENSE**  
*(a picture from your smartphone is fine)*
- ☐ **LEASE AGREEMENTS FOR ALL INVESTMENT PROPERTIES**
- ☐ **COPY OF PERMANENT RESIDENT ALIEN CARD(S)**  
*(if you're not a U.S. citizen)*
- ☐ **DIVORCE DECREE**
- ☐ **CHILD SUPPORT ORDER**
- ☐ **BANKRUPTCY PAPERS AND DISCHARGE NOTICE**

## RETIRED BORROWERS

- ☐ **SOCIAL SECURITY AWARD LETTER**
- ☐ **PENSION AWARD LETTER**
- ☐ **1099 DOCUMENTS FOR THE LAST TWO YEARS**

## VA LOANS

- ☐ **CERTIFICATE OF ELIGIBILITY**

## OTHER

- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

Please submit all documents and forms via encrypted email, my secure online portal, or via my mobile app as soon as possible. **ANY MISSING ITEMS COULD DELAY THE PROCESS.**



# A WIDE VARIETY OF LOANS

There are many loan types available. Talking to your Loan Officer is the best way to determine the right type of loan for your specific needs. The major types are:

## FHA LOANS

The **FEDERAL HOUSING ADMINISTRATION (FHA)**, which is part of the **U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)**, administers various mortgage loan programs. FHA loans have lower down payment requirements and less stringent requirements than conventional loans.

## CONVENTIONAL CONFORMING LOANS

Conventional loans may be conforming and non-conforming. Conforming loans have terms and conditions that follow the guidelines set forth by **FANNIE MAE** and **FREDDIE MAC**. These two stockholder-owned corporations purchase mortgage loans complying with the guidelines from mortgage lending institutions, then package the mortgages into securities and sell the securities to investors. By doing so, Fannie and Freddie provide a continuous flow of affordable funds for home financing that result in the availability of mortgage credit for buyers.

Fannie and Freddie guidelines establish the maximum loan amount, borrower credit and income requirements, down payment and suitable properties. These government-sponsored entities also announce new loan limits every year.

## VA LOANS

VA loans are guaranteed by the **U.S. DEPARTMENT OF VETERANS AFFAIRS**. The guarantee allows veterans, service persons, and their surviving spouses, to obtain home loans with favorable terms, usually without a down payment. The U.S. Department of Veterans Affairs does not make loans—it guarantees loans made by lenders. VA determines your eligibility and, if you qualify, VA will issue you a **CERTIFICATE OF ELIGIBILITY (COE)** to be used in applying for a VA loan.

## JUMBO LOANS

Loans above the maximum loan amount established by Fannie Mae and Freddie Mac are known as “jumbo” loans. Because jumbo loans are bought and sold on a much smaller scale, they often have a little higher interest rate than conforming loans, however, the spread between the two varies with the economy.

## STATE AND LOCAL HOUSING PROGRAMS

Many states, counties and cities provide low to moderate housing finance programs, down payment assistance programs or programs tailored specifically to first-time buyers. These programs are typically more lenient on the qualification guidelines and often designed with lower upfront fees. Loan assistance programs are also frequently offered at the local or state levels. These include a **MORTGAGE CREDIT CERTIFICATE (MCC)**, which allows you a tax credit for part of your interest payment. Most of these programs feature fixed-rate mortgages and interest rates lower than the current market.

## FIND AN **AGENT** & **HOME**



ASK YOUR  
FAMILY,  
FRIENDS,  
CO-WORKERS  
OR YOUR  
LOAN OFFICER  
FOR SOME  
REFERRALS.

### **YOUR REAL ESTATE PROFESSIONAL**

You want to find an Agent you are comfortable around. They'll be your advocate during this process, so it's important you work with someone you trust.

With access to the MLS, your Real Estate Agent will know which homes are available in your preferred area, help you search for properties and provide details on things like: 'comps' or comparable homes that have recently sold, how long a house has been on the market, or if any of the major systems that require updates. Other things your Real Estate Agent will do include:

- › Help you refine your wants and needs for the home.
- › Protect your rights with an understanding of all laws and regulations involved with your home purchase.
- › Respect your opinions and decisions and make sure you're comfortable with all the decisions you make.
- › Help avoid pitfalls, resolving any problems that could impact your transaction closing successfully and on time.
- › Negotiate for you by presenting your offer to the seller. This, combined with your pre-approval letter, increases your chances of having your contract accepted.
- › Refer you to a home inspector and explain the ins and outs of the inspection and how it could be used during negotiations.
- › Set a closing date that works for you and the seller.







Once you have a budget, create a list of what you need versus what you want in a home. This might change as you start looking at homes—and your agent might help you narrow things down—but it will at least help you begin your search. Some of these factors may include:

- › **LOCATION/ NEIGHBORHOOD** (*Do you want an HOA? Your commute time to work, school, services, etc.*)
- › Consider the **LAYOUT AND STYLE** of a home (*open concept, 2 story, etc.*)
- › Home **FEATURES** (*energy efficiency, granite counter tops*)
- › **SIZE** of the property and anything you would like in the yard (*fence, space for garden, trees, lawn care*)
- › Think about **PRIVACY** in both the home and yard
- › Whether the property needs **IMPROVEMENTS** (*and costs associated*)
- › Understanding **ZONING REGULATIONS**, the housing market, additional costs
- › The **FUTURE** (*will you want a yard for a dog or room for your family to expand*)

If you can't decide if something is a want or need start by placing it on the "want" side first. You can always move it over later. Also, don't forget to do this exercise with everyone who will be living in the home.

## Wants

[illegible]

## Needs

[illegible]

# FINDING THE RIGHT HOME

Once you find a home and your offer is accepted, you move through negotiations. During this process you will likely get an inspection and home appraisal. The **HOME INSPECTION** is optional, but is generally recommended, so you can find out if there are any underlying issues with the home before you buy. The **HOME APPRAISAL**, ordered by your Loan Officer, is needed to complete your loan. It lets the mortgage company know if the home's market value matches the offer price. The loan amount can only go up to the appraisal value, so if the offer was higher than the appraisal, you will either need to renegotiate with the seller (*if possible*) or make up the difference out of pocket.

	HOME INSPECTION	HOME APPRAISAL
PROPERTY CONDITION	Determines the condition of the home and its systems in great detail. <b>NOT REQUIRED</b> but can be ordered by you, as the buyer.	Determines fair-market value and general physical condition of property. <b>REQUIRED</b> during loan process.
COST	Costs vary depending on complexity of inspection and size of home.	Costs vary depending on size and occupancy of property.
ORDERING REPORT	Ordered by you and your agent once your offer is accepted; you may choose an inspector.	Typically ordered by your Loan Officer once your signed initial disclosures have been received; the appraiser will be randomly assigned.
REPORT DELIVERY	Generally delivered to you within 24 hours from inspection completion.	Timing can vary, but will be delivered to you as soon as it is completed.





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**GARAGE (#CARS)** \_\_\_\_\_

**EXTERIOR AMENITIES**

- ☐ Landscaping
- ☐ Patio or Deck
- ☐ Pool
- ☐ Entertaining space
- ☐ Balcony
- ☐ Fencing

GENERAL NOTES

CONVENIENCE TO	EXCELLENT	GOOD	AVERAGE	POOR
Supermarket	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Schools	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Place of worship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shopping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Childcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hospitals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Doctor/Dentist	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks/Recreation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Restaurants/Entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Airport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commutability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



# MOVE THROUGH THE **LOAN PROCESS**

By this point you have likely already submitted your application and receive a Loan Estimate. Below is an overview of the whole loan process. It can seem overwhelming at first—especially if this is your first home, but don't worry, your Loan Officer will walk you through each step.

## THE LOAN PROCESS



### THE APPLICATION

*(CAN BE COMPLETED ONLINE, IN PERSON OR OVER THE PHONE)*

The key to a smooth loan process is a thorough and honest initial application interview. Your Loan Officer will ask for information and documentation needed for loan approval. Your Loan Officer will order the initial credit report and input all application information into the company loan origination system. They will go over options and answer any questions you might have



### INTENT TO PROCEED

Once you have received and reviewed the initial Loan Estimate, you must communicate your "intent to proceed" with the loan application. If you don't provide your intent to proceed within 10 days of receiving the Loan Estimate, the terms of that Loan Estimate are subject to change.



### APPRAISAL & VERIFICATIONS

Once the supporting documentation collected during the initial application interview is reviewed and the appraisal is received, the loan processor can request any additional required verifications or information *(if any is needed)*.



### LOAN SUBMISSION

Your Loan Processor will submit the loan package to the Underwriter for conditional approval after everything is received and reviewed.



### LOAN ESTIMATE

Your Loan Officer is required to give you a Loan Estimate within three days of completing an application. An application consists of a Loan Officer receiving, at a minimum, the borrower's name(s), estimated value of the property, property address, Social Security number, income and loan amount.



### LOAN APPROVAL

Loan approval generally takes between one and 15 days, depending on the complexity of the loan application. All parties are notified of the approval, in addition to any loan conditions that must be received before the loan can close.



### CONDITION COLLECTION & REVIEW

Your Loan Officer will ask you for any other needed items required for final loan approval. Once everything is received, they are submitted back to the Underwriter for final review and approval.



### CLOSING DISCLOSURE

Your Loan Officer will finalize all fees once they've received a clear-to-close approval and prepare a closing disclosure. The closing disclosure will state the final closing funds required to complete the transaction. You will need to return a signed copy of the closing disclosure no less than three days prior to closing.



### DOCUMENTS ARE DRAWN

After the three-day waiting period the closing loan documents can be drawn and signed. Your settlement agent will coordinate the signing of loan documents and work with both buyers and sellers to complete the transaction.



### FUNDING

Once all parties have signed the loan documents, they are returned to the Loan Officer for review of the package. If all forms have been properly executed, the funds are transferred by wire.



### RECORDING

When the settlement company receives funds, they record the deed of trust at the County Recorder's Office. All proceeds are distributed to the involved parties and escrow is officially closed. You get the keys to your home!

# UNDERWRITING YOUR LOAN

When your loan package is submitted for approval, an Underwriter will review the following information to determine loan approval:

## CREDIT

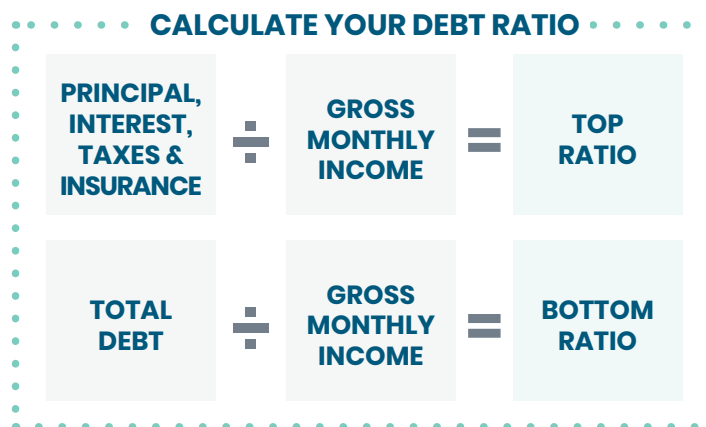
It is important that credit has been established with a good payment history. Outstanding collection accounts, judgments or liens must be paid through escrow. The credit report will also list a credit score—a mathematical calculation of your overall credit rating.

## JOB STABILITY

The borrower's employment and earnings history for the most recent 24 month period will be evaluated. Any changes of employment and income must be addressed, as well as any gaps in employment during this period. A satisfactory employment history is required.

## INCOME & DEBT RATIOS

You will need to calculate your gross monthly income (*before taxes*) to figure out your debt ratio. Bonuses, commissions, overtime, part-time or self-employment income should generally have a two-year history to be used in the income calculation. A debt ratio of 43% is generally acceptable for jumbo programs and 45% for conforming loan programs. FHA and VA programs typically accept higher debt ratios above 45%.



## DOWN PAYMENT, CLOSING COSTS & CASH RESERVES

To be considered “your money,” funds must have been verified as having been yours for two months. Bear in mind that many loans require more than 5% down. Talk to your Loan Officer for details on your specific loan.

## PROPERTY

The property being purchased is the security for the loan. The lender will require an appraisal by a certified fee appraiser to ensure there is sufficient collateral. The Underwriter will review the appraisal to verify the marketability, condition and value of your home. The lender will also review the title report and require title insurance on the property for your protection, as well as theirs.



# AVOID SURPRISE OR DELAY

Though it may seem like a simple process, there can be unnecessary delays or surprises. As the customer, there is a role for you to play in the loan approval process. The following tips are essential to get us to a flawless close.

**PROMPTLY PROVIDE REQUESTED DOCUMENTATION** to your Loan Officer and verify that all information is correct. There may be additional questions or documentation requested during the process and getting back to us as quickly as possible will keep your loan moving.

**STOP SHOPPING!** We advise clients to avoid shopping and purchasing anything on credit—cars, furniture, appliances, clothing—until your mortgage has closed. You may have been told that a simple credit inquiry or credit charge does not affect your credit, but in today's credit-careful climate it could. Credit and debt are reviewed again just before closing and prior to funding. Any changes could possibly derail your mortgage process.

**PROTECT YOUR CASH RESERVES** so that your down payment, closing costs and additional funds required are easily verified before closing. Keep your checking, savings, and other balances at the same, or higher, as when you applied for your loan. Also, do not deposit funds to your checking or savings unless they can be sourced and verified.

**AVOID A JOB CHANGE** to keep the loan process moving ahead. Changing jobs could negatively impact your loan approval and disrupt the loan process. Job and income stability are fundamental to loan approval, and employment will be verified on the day of closing. Talk to your Loan officer before making any changes.

**MAKE TIMELY PAYMENTS** on all your current obligations such as credit cards, mortgage and utility payments. Showing that you take your financial obligations seriously is important in the loan approval process.

## **AVOID CHANGING LOAN PROGRAMS**

**MID-PROCESS.** Your Loan Officer will help you choose the right program based on your specific situation. If you know of anything that might disrupt your loan, talk to your Loan Officer. They can help you come up with a plan to help keep everything on track.



# CLOSE ON YOUR LOAN

Your closing date will be specified in the Purchase Agreement you sign with the seller. At the closing, you will make the financial commitment to homeownership and the legal transfer of property takes place.

At least three days prior to closing, you will receive the **CLOSING DISCLOSURE (CD)**, a five-page document listing final details about the mortgage, such as loan terms, projected monthly payments and total closing costs. You will also be notified of the amount of funds required at the loan closing. You will need to **SIGN AND RETURN THIS DOCUMENT AS QUICKLY AS POSSIBLE** to keep your closing proceeding as planned.

**BRING A LEGAL FORM OF IDENTIFICATION TO YOUR CLOSING**, such as a current driver's license, passport or ID card (*military or state*). We suggest checking the expiration dates of your IDs to confirm they're current. .

## COLLECT YOUR FUNDS

All funds submitted at closing should be in the form of wires or cashier's checks. Any funds deposited to close escrow should be in the form of a wire to prevent any delays in closing. Cash is not acceptable for safety and security reasons. Your Loan Officer will give you more information about this process, but here are some other things to keep in mind.

- › **FOREIGN CHECKS.** The title company does not accept foreign checks into escrow. This includes foreign checks paid through a U.S. bank. All money coming from outside the United States must be sent via wire transfer.
- › **THIRD PARTY CHECKS.** The title company does not accept any third-party checks. These include any check drawn from a non-financial institution account or payable to a payee other than the title company and subsequently endorsed to them.



## TWO THINGS OCCUR AT THE CLOSING:

### 1 SIGN LEGAL DOCUMENTS

These documents fall into two categories:

- › The agreement between you and the lender outlining the terms and conditions of the mortgage.
- › The agreement between you and the seller to transfer ownership of the property.
- › You may be asked to fill out an Identity Statement that enables the title company to distinguish you from others with similar names during their search of county records. It also provides basic information that will be useful for your Settlement Agent.

Once you understand all the documentation, you will sign the mortgage or deed of trust, as well as a mortgage note and any other paperwork required. Voice any questions or concerns you may have prior to closing. Remember, you can ask plenty of questions at your closing, so don't be shy!

### 2 PAY CLOSING COSTS & DOWN PAYMENT

There are numerous fees associated with obtaining a mortgage and transferring property ownership. Make sure you have a cashier's check or funds transferred by wire for the exact amount needed at closing to cover common closing costs, such as the following:

- › **PROPERTY TAXES** Property taxes may be pro-rated based on the month you close and the state of the property.
- › **HOMEOWNER'S INSURANCE** It's common to pay an entire year's worth of homeowner's insurance premiums at closing.
- › **PREPAID INTEREST** This may vary from a full month's interest to a few days' interest depending on the date your mortgage loan closes.
- › **MORTGAGE INSURANCE (MI)** You may be required to pay a certain amount toward an escrow account for private mortgage insurance depending on the amount of your down payment.
- › **TITLE INSURANCE FEES** These fees cover the buyer and lender title policies. Title insurance is an insurance policy that protects property owners and their lenders against losses related to the property's title or ownership. Title insurance minimizes the risk of acquiring property where a legal history is unknown to the purchaser. The title company may also charge fees associated with a title search, settlement/closing, recording, notary, document preparation or title examination.
- › **LOAN ORIGATION, PROCESSING & UNDERWRITING FEES** These fees cover the cost of processing your mortgage loan.



# UNDERSTAND MONTHLY MORTGAGE PAYMENTS

**YOUR FIRST MORTGAGE PAYMENT TYPICALLY IS NOT DUE UNTIL THE SECOND MONTH AFTER YOUR CLOSING DATE.** Verify your first payment date with your Loan Officer.

## COMPONENTS OF A MORTGAGE PAYMENT

Primary factors determining your monthly mortgage payment are the size and term of the loan. 'Size' refers to the amount of money borrowed and 'term' is the period of time during which a loan must be paid back. There is an inverse relationship between the term of the loan and the size of the monthly payment: longer terms result in smaller monthly payments. For this reason, 30-year mortgages are the most popular.

### PITI: THE COMPONENTS OF A MORTGAGE PAYMENT

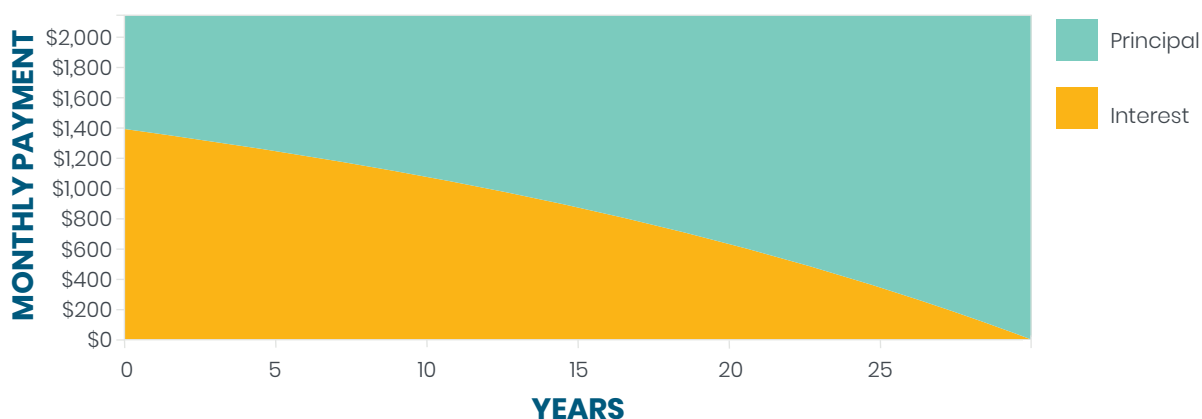
Once the size and term of the loan have been determined, there are four factors that play a role in the calculation of a mortgage payment. These include principal, interest, taxes and insurance (PITI).

#### PRINCIPAL

A portion of each mortgage payment is dedicated to repayment of the principal. Loans are structured so that the amount of principal returned to the borrower starts out small and increases with each mortgage payment. While the mortgage payments in the first years consist primarily of interest payments, the payments in the final years consist primarily of principal repayment. For a \$400,000 mortgage, for example, the principal is \$400,000.

#### INTEREST

Interest is the lender's reward for taking a risk and loaning money to a borrower. The interest rate on a mortgage has a direct impact on the size of a mortgage payment—higher interest rates mean higher mortgage payments. For most home buyers, higher interest rates reduce the amount of money they can borrow, while lower interest rates increase it. Say you have a 30-year, fixed-rate mortgage for \$400,000 with a 4% interest rate. Below is how your monthly payment is split between the principal and interest.





## TAXES

Property taxes are assessed by governmental agencies, which use them to fund various public services like school construction, police and fire department services. Taxes are calculated by the state government on a per-year basis, but individuals can pay these taxes as part of their monthly payments. The amount that is due in taxes is divided by the total number of monthly mortgage payments in a given year. The lender collects the payments and holds them in escrow until the taxes are due to be paid.

## INSURANCE

There are two types of insurance coverage that may be included in a mortgage payment. Like property taxes, insurance payments are made with each mortgage payment and held in escrow until the bill is due.

**PROPERTY INSURANCE** is helpful to both you and your mortgage company because it will help recoup money on the home and its contents if fire, theft or other disasters occur. We recommend you start shopping for homeowners/fire/flood insurance as soon as your offer is accepted. *(It's a good idea to call your current insurer first).* Know the age of your home when shopping for insurance. Contact your Loan Officer when you have made your decision.

**MORTGAGE INSURANCE (MI)**, which is mandatory for homeowners with a down payment of less than 20%. MI protects the lender if the borrower is unable to repay the loan. Because it minimizes the default risk on the loan, MI also enables lenders to sell the loan to investors, who can also have some assurance that their debt investment will be paid back. MI coverage may be dropped after a specific time or equity requirements are met. FHA loans require mortgage insurance for the life of the loan.

While principal, interest, taxes and insurance comprise a typical mortgage, some borrowers opt for mortgages that don't include taxes or insurance as part of the monthly payment. With this type of loan, borrowers have a lower monthly payment but must pay the taxes and insurance on their own.



### MONEY-SAVING TIP:

Most loans allow you to prepay the principal on your loan, thereby reducing interest costs over the life of the loan.





# LOOK FORWARD TO **MOVING DAY**

Organization is key to a low-stress, efficient move into your new home. Consider using this list, and adding any tasks that are specific to you to schedule details and contribute to an orderly moving day with few surprises prior to your closing.

## **ONE MONTH BEFORE THE MOVE**

- ☐ Get estimates from moving companies and make a reservation with your best choice.
- ☐ Purchase moving supplies, such as packing tape, bubble wrap, furniture pads and boxes.
- ☐ Submit a change-of-address form to the U.S. Postal Service.
- ☐ Contact bank and credit card companies to transfer accounts to your new address.
- ☐ Contact doctors and get referrals for physicians near your new home.
- ☐ Change property, auto and medical insurance policies to your new address.

## **TWO WEEKS BEFORE THE MOVE**

- ☐ Confirm with your Loan Officer that your closing is on schedule.
- ☐ Arrange to have utilities disconnected or changed to your new address.
- ☐ Begin packing household items that aren't used on a daily basis; thoroughly label boxes.
- ☐ Assemble all personal documents, licenses, certificates, records, etc., in a fireproof box.

## **ONE WEEK BEFORE THE MOVE**

- ☐ Confirm arrangements and dates with the moving company.
- ☐ Pack yard and garden tools and dispose of flammable items.
- ☐ Set aside a box of cleaning supplies to be the first box opened at your new home so you can clean right away.

## **ONE OR TWO DAYS BEFORE THE MOVE**

- ☐ Clean out the refrigerator and set aside food for meals and snacks on moving day.
- ☐ Finish packing your belongings and have the payment ready for movers.

## **MOVING DAY**

- ☐ Supervise movers and make sure their inventory is accurate.
- ☐ Complete a final walk-through to confirm nothing is left behind.
- ☐ Check thermostat; make sure doors are closed and locked; appliances are turned off; and keys are left with the new owners.

## **ARRIVAL DAY**

- ☐ Review moving list and truck to ensure nothing is damaged before you sign off on the cargo list.
- ☐ Check to ensure all utilities and locks are functioning well at your new house.
- ☐ Begin unpacking necessities like kitchenware and bathroom supplies.

# ENJOY YOUR **NEW HOME**

Homeownership is a large part of the American Dream. Your home is far more than a place to live. It's your own piece of the world—a space that represents an investment in your future. More than anything else you own, your home becomes an extension of your personality as it reflects your lifestyle, values, imagination and pride as you live there.

Stay in touch with your Loan Officer for future help and the continual financial benefits of homeownership. These include:

- › Annual mortgage checkup - ensuring your goals are met every year
- › Discuss refinance opportunities
- › Advice on tapping your equity
- › Purchasing another property or helping your kids buy their first homes
- › And other financial advice as desired





# FREQUENTLY ASKED QUESTIONS

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## **WHAT IS A LOAN ESTIMATE?**

The Loan Estimate is a form the lender is required to provide to the consumer within three business days of an application being received. It provides a precise breakdown of estimated closing costs. A Loan Estimate replaces the Truth-in-Lending and Good Faith Estimate provided previously.

## **CAN MY PARENTS CO-SIGN FOR MY HOME LOAN?**

In the mortgage industry, we use co-borrowers more often than co-signers. This means your parents will go through a full application procedure and qualify alongside you. Each investor has a different policy on this practice. Consult with your Loan Officer to ensure you follow the correct guidelines.

## **WHAT ARE SOME QUALIFYING TIPS FOR A RELOCATING BUYER?**

The number one tip—do not pack your personal papers! Mortgage loans are very precise and require documentation furnished by the borrower. Keep your financial records with you until your loan closes.

Be prepared by knowing the exact details of your relocation package. Here are a few essential questions to ask:

- › Will your company buy your present home or issue an equity advance?
- › If your home does not sell, will your company make the payments for you until it does sell?
- › Will your company pay your closing costs on your purchase? If so, will they advance the funds or reimburse you after closing?
- › It is important to keep copies of any advance checks you may receive, as well as all documentation on your move. It's much easier to keep extra unused paperwork than to try to find additional paperwork when you're trying to close.

## **HOW CAN I FIND OUT IF I AM ELIGIBLE FOR VA FINANCING?**

The easiest way is to request your Certificate of Eligibility from the **DEPARTMENT OF VETERANS AFFAIRS (VA)**.

When you are discharged, you receive a very important document called a DD-214. If you send a copy of this form, along with a request for determination of eligibility (*form number 1880*), to the VA you should receive an answer within a week or two.

## **IS IT LEGALLY MANDATORY TO HAVE A TAX AND INSURANCE IMPOUND ACCOUNT?**

It's not a law—just different investor rules. FHA, VA and other state housing programs require impound accounts for all loans they insure and guarantee. For all other loans, you may be eligible to waive the impound account, if desired—subject to review and approval.



## WHAT INFLUENCES MORTGAGE RATES?

Interest rates are derived from a complex formula driven by economic factors, the bond market and the Federal Reserve as well as investor and consumer demand. These factors all contribute to changes in interest rates. Although interest rates usually have long periods of decline or increase, there are many days when rates may fluctuate dramatically—just as the bond market can. These are often referred to as “hiccups.” Let your Loan Officer know if you would like to know more about the market.

## HOW OFTEN DO INTEREST RATES CHANGE?

Constantly. Interest rates change regularly with the fluctuation of the market, as described above. Once you lock or protect your rate, it will not increase as long as you close your loan before the rate expiration date.

## HOW IS THE RATE FOR MY LOAN DETERMINED?

Taking good care of your credit will reward you with a lower interest rate. The loan-to-value, as well as your credit score, and occupancy of the property will also be factors in the interest rate equation.



## WHAT ARE POINTS?

One point is equal to 1% of the loan amount. This amount, like the interest rate, can vary. You can “buy” the interest rate down to a lower rate by paying more points.

## WHAT IS A MORTGAGE LOAN BUY-DOWN?

Loans with buy-down plans require that a certain percentage is paid by the buyer or seller to reduce the interest rate over the initial portion of the loan term or for the whole term. Buy-downs can either be temporary or permanent.

## LOCK VS. FLOAT

By locking your rate, you have committed to a specific loan that guarantees the rate and fees that have been presented to you. Once the rate is locked, it will not change as long as you close on or before the rate lock expiration date.

Float means you are not guaranteed any rate—everything presented to you is an estimate. Your rate is subject to the fluctuations in the market until you decide to lock.

# MORE FREQUENTLY ASKED QUESTIONS

## **WHO WILL CALL ME TO SCHEDULE MY CLOSING APPOINTMENT?**

Your real estate agent will typically call you, though every once in a while your settlement agent will call you to make arrangements for your signing.

## **HOW MUCH TIME SHOULD I ALLOW FOR MY CLOSING APPOINTMENT?**

Please allow between 45 minutes and one hour for your signing appointment.

## **WHEN CAN YOU TELL ME THE AMOUNT OF FUNDS REQUIRED TO CLOSE?**

Upon receipt of loan documents and preparation of your escrow instructions, contact your Loan Officer so they can tell you the amount of funds you'll need to close escrow.

## **WHAT WILL I NEED TO TAKE WITH ME TO CLOSING?**

You will need to bring a valid driver's license, state ID card or valid passport, along with your cashier's check, if a wire was not already sent. Please confirm whether a cashier's check or wire is required before withdrawing funds.

## **WHAT WILL WE GO OVER WHILE SIGNING MY CLOSING DOCUMENTS?**

They'll go over any and all loan documents drawn by the lender of your choice; escrow instructions with terms of sale, per your purchase contract; the Closing Disclosure; preliminary report; etc.

The settlement agent will explain any reports and inspections that may be required on the property.

They will also provide you with a complete package of all documents you have signed that you can take home for further review. Should you have any questions after reviewing your package, don't hesitate to contact your escrow officer.

## **WHEN WILL I GET MY DEED SHOWING PROOF OF OWNERSHIP?**

The day escrow closes is the day the deed records with the county and you become the owner of your home. It could take six to 10 weeks from that date for the County Recorder to mail you the original signed and recorded deed. Keep copies of your signed loan documents and items received in the mail in a safe place.



# GLOSSARY OF TERMS

**ADJUSTABLE RATE MORTGAGE (ARM)** A type of mortgage where the interest rate and payment changes periodically, usually once or twice a year.

**AMORTIZATION** When a loan is scheduled to be paid off, including interest and principal, by a series of regular installment payments. Loans are typically amortized over a 30-year period.

**APPRAISAL** A formal written estimate of the current value of the home.

**ANNUAL PERCENTAGE RATE (APR)** The cost of your credit expressed as a yearly rate. It takes into account interest, points and loan origination fees. The APR is disclosed as a requirement of the federal truth in lending statutes.

**ASSESSED VALUE** The value a taxing authority places upon real or personal property for the purpose of calculating taxes.

**ASSUMABILITY** The feature of a loan that may permit you to transfer your mortgage and its specified terms to the person(s) purchasing your home. Having an assumable loan could make it easier to sell your home, since an assumption of a loan usually involves lower fees and/or qualifying standards for the new borrower than a new loan. (*typically are conditions involved*)

**BUY-DOWN** Loans with buy-down plans require that a certain percentage is paid by the buyer or seller to reduce the interest rate over the initial portion of the loan term or for the whole term. Buy-downs can either be temporary or permanent.

**CASH RESERVES** Cash reserves are liquid assets (*i.e. cash or marketable securities*) the applicant retains after making the down payment and paying closing costs.

**CLEAR TITLE** Real property against which there are no liens or judgments.

**CLOSING** The conclusion of a transaction. In real estate, closing includes the delivery of a deed, delivery of financial disclosures, the signing of notes and the disbursement of funds necessary to consummate the sale. Title is transferred.

**CLOSING DISCLOSURE** Upon receiving a clear-to-close approval, the lender will contact the settlement agent to finalize all fees. The lender will prepare and disclose the closing disclosure seven business days prior to consummation. The borrower must be in receipt of the closing disclosure no less than three business days prior to consummation. The closing disclosure will state final closing funds required to complete the transaction.

**EQUAL CREDIT OPPORTUNITY ACT (ECOA)** ECOA is a federal law that requires lenders and other creditors to make credit available without discrimination based on race, color, religion, national origin, age, sex, marital status, receipt of income from public assistance programs or good-faith exercise of rights under the Consumer Credit Protection Act.

**EQUITY** The difference between the fair-market value and the existing liens on the property, sometimes referred to as the owner's interest.

**SETTLEMENT AGENT** A neutral third-party (*also known as a Title or Escrow officer*) appointed to act as custodian for documents and funds during the transfer from seller to buyer.

**FEDERAL HOUSING ADMINISTRATION (FHA)** U.S. agency that sets standards for underwriting mortgages and insures residential mortgage loans from private lenders. A division of the Department of Housing and Urban Development (HUD).

**FIXED-RATE MORTGAGE** The type of loan where the interest rate will not change for the entire term of the loan.

**FLOATING RATE** A loan rate that has not been "locked" or committed at a particular interest rate. The floating rate and any discount points are not guaranteed and will be based on the market price available for your loan product at the time your rate is locked.

**GIFT LETTER** A letter certifying to the underwriter that funds in the applicant's account are truly a gift and need not be repaid.

**HAZARD INSURANCE** A broad form of casualty insurance coverage for real estate that includes protection against loss from fire, certain natural causes, vandalism and malicious mischief.

**HOMEOWNERS' ASSOCIATION** An organization of homeowners residing within a particular development whose major purpose is to maintain and provide community facilities and services for the common enjoyment of the residents.

**IMPOUND ACCOUNT** A savings account for accumulating that portion of a borrower's monthly payments designated for future payment of taxes and/or insurance. Required by certain lenders or with certain types of financing.

**INDEX** Used by lenders to calculate the interest adjustment of variable loans. Some indices are more volatile than others. This can affect adjustments in your interest rate and, subsequently, your monthly payments.

**INTEREST RATE CAP** A safeguard built into variable rate loans to protect the consumer by limiting the movement in interest rates when adjusted.

**JOINT TENANCY** Joint ownership by two or more persons with right of survivorship; all joint tenants have an equal ownership interest and equal rights to the property.

**LIABILITIES** A general term referring to all types of debts and obligations. The applicant's liabilities include all installment loans, revolving charge accounts, real estate loans, stock pledges, alimony and all other debts or obligations of a continuing nature.

**LIEN** A security claim on property until a debt is satisfied.

**LOAN ESTIMATE** A form required to be provided by the lender to the consumer within three business days of receipt of an application that provides a precise breakdown of estimated closing costs.

**LOAN-TO-VALUE (LTV)** Ratio of the loan to the value of the home.

**LOAN SERVICER** After the loan closes, the loan servicer collects payments. Lenders often release servicing to another organization, so a borrower may not necessarily send mortgage payments to the company that made the initial or original loan.

# GLOSSARY OF TERMS

**MARGIN** An amount expressed as a percentage that is added to the index to determine the interest on a variable rate loan. Different lenders and loan programs may use different margins and indexes. The margin generally does not change once it is established in your loan documents.

**MARKET VALUE** The most probable price at which a property will sell in a competitive and open market.

**MORTGAGE INSURANCE** Insurance (*whether government or private*) that protects a home loan lender against loss caused by a borrower's default. This insurance may cover a percentage of, or virtually all of, the home loan depending on the type of loan.

**NEGATIVE AMORTIZATION** A situation that may occur on variable rate loans that have a payment cap feature. If your monthly payment is capped, your adjusted payment amount may, at times, be insufficient to pay the actual amount due. The unpaid deferred interest will then be added to your loan balance. This increase in your loan balance is known as negative amortization.

**NON-CONFORMING LOAN** A home loan with an amount that exceeds FNMA/FHLMC loan limits (*also called a "jumbo" loan*).

**NON-RECURRING CLOSING COSTS** One-time charges like title fees, points, appraisal fees, document/processing fees and initial PMI premium (*may be a gift, paid by seller or borrowed*).

**NOTE** A written promise by one party to pay a specified sum to a second party under conditions mutually agreed upon.

**PAYMENT ADJUSTMENT** For adjustable-rate loans, it is an increase or decrease in the required monthly principal and interest payment according to the terms outlined in the note.

**PAYMENT CAP** Payment change limitation. A cap on the amount an adjustable-rate loan can change on any payment date. With a payment cap there may be deferred interest (*negative amortization*). PITI Principal, interest, taxes and insurance.

**POINTS** A fee the consumer pays to an institution at the time of closing a mortgage transaction. 1 point is equal to one percentage point (1%) of the loan amount.

**PREPAID INTEREST** Interest paid before it is due. This payment is made at loan closing.

**PREPAYMENT PENALTY** A charge that a borrower may be required to pay during the years of a real estate loan if he or she pays it in full or pays large sums to reduce the unpaid balance.

**PRE-QUALIFICATION** Informal estimate of how much financing a potential borrower might expect to obtain. Will often include a counseling of loan types and review of creditworthiness.

**PRINCIPAL** The amount of debt, exclusive of accrued interest, remaining on a loan.

**MORTGAGE INSURANCE (MI)** Insurance that guarantees payment of the loan balance not covered by sale of the property in the event of foreclosure to the lender. MI may be required on certain types of loans and will be included as part of your monthly payment.

**RATE LOCK** A written agreement guaranteeing the borrower a specified interest rate, provided the loan is closed within a set period of time.

**RECURRING CLOSING COSTS** Costs that will be paid again and again, i.e. taxes and insurance (*can be a gift*)

**RATION Z** Federal regulation by the Federal Reserve Board to carry out the purposes of the Truth-in-Lending Act.

**RESCISSION** The right of a consumer to cancel (*at no cost*) a credit transaction where the consumer's current primary residence is used as security for a debt. This right does not apply to a purchase transaction.

**RESERVES** The amount of savings, separate from the down payment, that a homebuyer sets aside in case of unforeseen events or emergencies.

**SECOND MORTGAGE** A loan secured by a mortgage that is lower in priority than a first mortgage. Commonly used to supplement a first mortgage loan or assumption at the time of purchase or as a way of raising cash for home improvements.

**TITLE INSURANCE** A required policy purchased by the buyer of a home ensuring that title will be held free of any liens other than that obtained by the buyer.

**UNDERWRITING** The analysis of the risk involved in making a real estate loan to determine whether the risk is acceptable to the lender. Underwriting involves the evaluation of the property as outlined in the appraisal report, assessment of the borrower's ability and their willingness to repay the loan.





# CLIENT TESTIMONIALS

Cindy and her team are amazing. My husband and I had such a pleasurable experience of working with Cindy 5 years ago when we purchased our home in the mountains in Northern CA. I called her this summer when we made the decision to sell and purchase a home in Tennessee. What a surprise to find out she is licensed there as well. Cindy or s one of her Team member were always available when I had questions, and believe me, I had a lot.

I highly recommend Cindy!!!

—Dawn H.

“

I received a referral to work with Cindy Tomlinson for a home loan. I could not be happier with Cindy! She is knowledgeable, efficient and very friendly. She kept the process simple and was incredibly helpful anytime I had a question or concern. My loan closed on time and closing costs were less than expected....I will recommend her to anyone I know looking for a mortgage or refinance.

—Judy B.

”

Great lender ! Personalized customer service and answered my questions and email quickly. I felt like family and all the staff are so friendly and helpful.

—Grace

“

Got a complex lending situation taken care of with minimal input well before the deadline.

Especially in a rapidly changing mortgage environment. I would not hesitate to recommend her.

—Brian L.

”

Cindy was very quick to get us our pre-approval. The app feature and online portal was great with reminders and updates about our loan processing. I would recommend her to anyone looking to buy or refinance in the Shasta/Redding area.

—Nora S.

# YOUR **HOME BUYING TEAM**



## **LOAN OFFICER**

Handles your financing. Call if you have a question about rate, term, program type, approval, credit, or funds-to-close.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_



## **LOAN OFFICER ASSISTANT**

Helps with any paperwork needed to complete the transaction. Call if you have a question about the loan submission, requested paperwork, or if you can't reach your Loan Officer.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_



## **REAL ESTATE AGENT**

Takes care of the sales contract, inspections, disclosures and negotiations. Call when you have a question about the property itself or escrow.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_



## **AGENT TRANSACTION COORDINATOR**

Supports the real estate agent with moving the transaction along. Usually manages the paperwork.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_



## **SETTLEMENT AGENT OR CLOSING ATTORNEY**

Oversees the fund disbursements, Title search, clearing of Title, final documents and recording. Call if you have a question about your closing appointment, funds-to-close or Title problems.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_



## **HOME INSPECTOR**

Home inspections help you identify any major issues with a home before closing. This isn't required for your loan but is strongly suggested.

Name \_\_\_\_\_

Company \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_

# NOTES



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**CREATING**  
*Experiences*  
**THAT MATTER™**

