

## STEPS TO HOMEOWNERSHIP:

Once pre-qualification is complete, you begin receiving listings from your Real Estate Agent and start looking at properties.

1. Write an offer.
2. Upon offer acceptance and a ratified contract, contact your loan officer to say you have found your new home.
3. Gather your documents.
4. Meet with your loan officer to sign the application papers.
5. Call your homeowner's agent to get a quote.
6. Have any home or pest inspections performed (appointments set by your Real Estate Agent).
7. Upon loan approval, you will receive a mortgage commitment letter for signature.
8. Day before closing you should be in contact with the title company regarding exact monies needed to close.
9. Secure a certified check or wire from your bank for the money needed to close and have the check made out to the title company.
10. On the day of settlement, do a "walk-through" of your new home with your Real Estate Agent.
11. Go to settlement.
12. Enjoy many, happy years in your new home!

## PREQUALIFICATION – WHAT CAN I AFFORD TO BUY?

The first step in becoming a homebuyer is to get pre-qualified by a mortgage lender. Not to worry, this service is provided at no charge and will help you determine what price range is comfortable for you. The loan officer will ask you some questions about your employment history, income and savings. In addition, he/she will do a credit analysis to determine your credit worthiness. Based on the information provided, the loan officer can educate you about the various loan programs available that best meet your financing needs. You will receive an estimate of what a monthly mortgage payment may be based on your down payment, which will help you create your household budget. The loan officer will issue a "pre-qualification" letter to your Real Estate Agent that states your price range. Sellers require a "pre-qualification" letter from a lender to be submitted along with any offers to purchase their property.

## DOs AND DON'Ts OF BUYING A HOME:

1. DO NOT take out new car loans or charge up your credit cards.
2. DO try to save some money. With any loan, you will need \$450-475 available to pay for the appraisal as well as \$350-500 if you opt for a home inspection. The lenders also love it when you have something in a retirement account or bank just in case of rainy days.
3. DO NOT try to pay off your credit card debt. Just pay the minimum due and put any extra into savings.
4. DO pay all of your bills on time.
5. DO NOT pay off old collections, especially not medical collections. Frequently, if a collection is old, when you pay it off, it actually causes an "inquiry" on your credit report and thus, drops your credit score. Your loan officer will review your credit report and let you know if you should pay off any debts to qualify for your home.