



Home Buyer: FYI

So you want to buy a house, now what? Where do you go from here? What questions should you ask? Below you will find a VERY detailed list of what you can expect throughout the home buying process; if you are not a person that enjoys details, please [email me](#) and ask me to send you the abridged version because many of them do not require your participation! The important part is that you have made the first step in the process by expressing an interest in a mortgage and I am confident you will be happy once everything is said and done.

Please understand that the bolded lines (and their sub-lines) are the only items that actually require your direct participation to get started:

- **You apply for a mortgage and get pre-approved** (24-48 hours from my receipt of certain documentation)
 - o Because I play by the rules, a pre-approval will require you to give me written permission to pull your credit (below you will find the form that is used) along with minimal income documentation that we will discuss during our first conversation; I will have you fax me this information and then I will enter it into the system to compare your specific loan profile to the loan guidelines and, most likely, issue a pre-approval letter.
 - o The information listed above is needed to give you an honest and solid pre-approval letter
 - o **A pre-approval should NOT require that you pay any sort of up-front fees to your lender nor should you have to sign a form that will require you to close your loan with the pre-approving lender.**
- **Now you are pre-approved; you and your Realtor start to search for that perfect home** (this process usually takes the longest; it can be anywhere from a few days to several months, dependant on your area and your tastes)
 - o If you do not have a Realtor, please let me know so that I can get you set up with our FREE Find-A-Realtor referral service
 - o During this time, you and I will keep in touch via email/phone on a predetermined schedule; please contact me soon to set this schedule up (if you don't call me, rest assured, I will call you!)
- **You and your Realtor will make the Offer to Purchase on that perfect home** (1 day to 1 week)
 - o Ask your Realtor if seller concessions can be worked into the offer; this allows your seller to pay some or all of your closing costs; please ask your me what loan program you will be using because some loan programs only allow 3% seller concessions while others allow up to 6%; some additional restrictions may apply as well
 - o It is possible that you may go back and forth with the seller in the form of counter offers until a complete agreement is made
 - o You will then leave a deposit of earnest money with the seller's agent to show that you do intend to complete your portion of the agreement
 - If you use a cashier's check to do this, get a photocopy of it before it is sent to the agent
 - If you use a personal check, please get a copy of the front of the check and ask the agent to cash it immediately so that we can get a copy of it once it clears your bank (we do not need to show a canceled check if you use a cashier's check)
 - o Once this is completed, your Realtor should fax me the fully executed (signed by all parties) Offer to Purchase
 - o Between you and your Realtor, a home inspection may be ordered; these can take a few days to get scheduled and a few hours to complete; you should get the inspectors report as soon as he/she completes the inspection – be prepared to pay the inspector when he/she does the work; unless your realtor or your purchase contract says otherwise
- Upon my receipt of the Offer to Purchase (a.k.a. purchase contract) I will do the following: (1 week)
 - o I will lock your interest rate for the loan program you choose and with enough time to close the loan (I will give you choices for the loan programs and help you decipher which program best fits your needs; the purchase contract typically dictates when the transaction will close)
 - o Order the appraisal; you may have to pay for this when it is done, dependant upon the appraiser's requirements; otherwise, you or your seller concessions will pay for it at closing (usually \$350 ± \$50)
 - o Order the title commitment
 - o Gather any additional documents needed for income and asset verification as well as home owner's insurance information
 - o Order the disclosures to be sent to you so that you can sign them and fax/email them back
 - o Work out any problems that are foreseen along many other items behind the scenes
- **Once the Offer to Purchase is executed, you should begin looking for an insurance agent (if you do not have one) for the homeowner's insurance** (1-2 days)
 - o If you already have an insurance policy for something else (car, boat, etc), you may want to talk to that agent, as you may be eligible for a multi-line discount
 - o Dependant upon your agent, you may have to pay part of the premium up-front before they will bind coverage (something that is necessary to close the loan)
- The insurance agent faxes me several necessary documents (immediate)
- All of the information is then put together by me and then submitted to an underwriter (an objective person that doesn't have an interest in the loan) for final review of the file to be sure it fully complies with all of the loan's guidelines (typically 1-4 days)
 - o There are typically conditions that must be satisfied before we get the final CLEAR TO CLOSE; examples of conditions would be updated pay stub, correction of a misspelled name on the appraisal, etc
 - o The loan is finally cleared to close once the conditions are met
- Your loan documents are drawn and sent via email to the title company for closing (4 hours)
- The title company prepares the final HUD-1 Settlement Statement for our approval (1-5 hours)
- We wire funds to the title company as soon as the aforementioned items are approved (1-2 Hours)
- **You sign the papers for the loan and the transfer of title** (1 hour)
- **Congratulations you are now a homeowner!**
- **You move in** (this could take weeks, dependant upon your belongings and the amount of help you have!)

Please call me at 800/627-1925 x1923 today to get the process started! -Michael Creed

Because every loan file is different, the time-frames and items listed may not be 100% accurate; this list is subject to change without notice and it is not a guarantee to lend money. Please discuss any questions that you may have about your file with me, as it is my job to help you.

Borrower Signature Authorization

Privacy Act Notice: This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, 1471 et. seq., or 7 USC, 1921 et. seq. (if USDA/FmHA).

Part I - General Information

1. Borrower(s)		2. Name and address of Lender/Broker First Omni Mortgage Lending 310 W Liberty Street; Suite 100 Louisville, KY 40202 TEL: 502-627-1923 FAX: 502-736-2657	
3. Date	4. Loan Number		

Part II - Borrower Authorization

I hereby authorize the Lender/Broker to verify my past and present employment earnings records, bank accounts, stock holdings, and any other asset balances that are needed to process my mortgage loan application. I further authorize the Lender/Broker to order a consumer credit report and verify other credit information, including past and present mortgage and landlord references. It is understood that a copy of this form will also serve as authorization.

The information the Lender/Broker obtains is only to be used in the processing of my application for a mortgage loan.

Borrower

Date

Borrower

Date