

## TERMS TO KNOW

**APPRAISAL** A written estimate of a property's current value.

**CLOSING COSTS** Fees associated with buying a house that your lender charges and/or are from various third parties.

**CONTINGENT** A status in which a house has accepted an offer but relies on meeting certain criteria, such as passing a home inspection or appraisal.

**CONVENTIONAL MORTGAGE** A mortgage loan not insured by the government or guaranteed by the Veterans' Administration. It is subject to conditions established by the lending institution and State statutes.

**COMMISSION** A percentage of the sale that is paid to the real estate professional. In most situations, commissions are paid by the seller of the property.

**DOWN PAYMENT** The amount of cash you pay toward the purchase of a new home. Often expressed as a percentage of the purchase price and dependent on the loan program chosen.

**FORECLOSURE** A property seized by the mortgage lender due to the homeowner failing to make full payments on their mortgage. In hopes to recover the balance of the home loan, the lender will sell the house.

**FSBO (FOR SALE BY OWNER)** A FSBO is a property that is being sold by the current homeowner without the aid of a real estate agent.

**EARNEST MONEY** A deposit made by the potential home buyer to show that he/she is serious about buying the house.

## TERMS TO KNOW (cont.)

**INSPECTION** An evaluation of the home in which a professional inspector determines the current condition of the home and its systems.

**LISTING** A list of information about a home that is currently on the market.

**MLS (MULTIPLE LISTING SERVICE)** The MLS is a database that includes all available homes for sale in a particular area.

**PMI (PRIVATE MORTGAGE INSURANCE)** The monthly insurance payment a lender must pay if the down payment is less than 20% of the sale price.

**PRE-APPROVAL** An evaluation by a lender that determines if the potential buyer qualifies for a loan and, if so, the maximum amount the lender would be willing to lend.

**SELLER CREDIT** Money given from the seller to the buyer at settlement to pay for part of the closing costs. The amount varies depending what the mortgage company allows.



# HOMEBUYERS GUIDE

 Country Club Bank<sup>®</sup>

**FDIC** FDIC Insured - Backed by the full faith and credit of the U.S. Government



## THE TOP 10 THINGS TO KNOW WHEN CONSIDERING THE PURCHASE OF A NEW HOME



**Pay your bills on time** – late payments will negatively impact your credit score, which may result in higher rates.



**Lower your debt-to-income ratio** (monthly debt obligations versus verified monthly income) and demonstrate to financial institutions that you will be able to pay your monthly mortgage payments.



**Avoid making major purchases**, such as cars, lines of credit, appliances, etc.



**Review your credit report**, make sure everything is accurate, and correct anything that is not.



**Avoid applying for new credit and/or credit increases after pre-approval.** Improve your credit score by paying down debt and restricting the use of credit cards to help get a better rate.



**Obtain a pre-approval letter** to show your qualification.



**Know your budget** and estimated mortgage payment, plus any additional fees – closing costs, homeowner association dues, home insurance, property taxes etc.



**Use a reputable home inspector** to avoid surprises down the road.

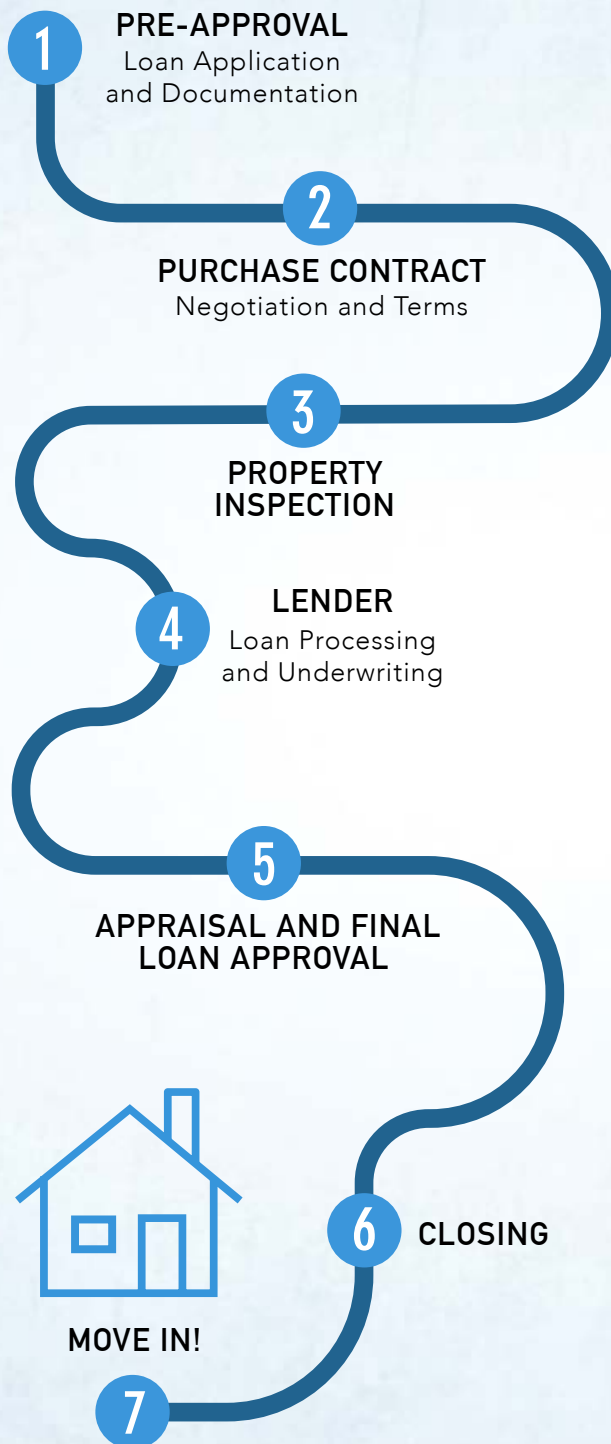


**Notify your lender** if you will be out of town during the loan process. This is important in the event something is needed while you're away.



**Keep all original documents** during the closing process.

## THE HOME BUYING JOURNEY



## NEEDED DOCUMENTS WHEN APPLYING FOR A MORTGAGE LOAN

Applying for a mortgage loan can seem intimidating – but it doesn't have to be if you are prepared. This mortgage loan documents checklist, along with our local mortgage lending pros, will help you remain organized through the entire process, and ensure your mortgage application goes smoothly.

- Tax returns (most recent 2 years)
- Pay stubs, (most recent 2 months)
- W-2s or other proof of income
- Bank statements and other assets
- Gift letter, if applicable
- Photo ID
- Landlords information, if renting

## MOVING CHECK LIST

- Update your address** and request to forward your mail.
- Transfer utilities.** Make sure your water, gas, and electric are hooked up at the new house – and turned off at your previous home.
- Cancel or update subscriptions and memberships** – from your internet, cable, to Amazon for shipping with new address.
- Gather important documents** and purge old files. Now would be a good time to update your filing cabinet and store all your important documents in one place.
- Review your moving service plan** – revisit the contract and know all fees.