



# Your Journey to Homeownership

## 1. Pre-Qualification/Pre-Approval

Before you begin to look at properties, the first and most important thing to do is to get pre-qualified and in some cases, pre-approved for a mortgage.

A pre-qualification can be completed via a telephone call, online application or meeting with an Allen Tate Mortgage consultant to determine how much home you can afford, based on a review of your credit, employment information and income, liabilities and available assets.

A pre-approval is a more comprehensive review of your financial information by an underwriter, including a credit check and review of documentation to verify your employment, income and assets.

## 2. Understanding the Power of Your Credit

Your credit profile and history is one the most important pieces of information in the lending process. The type of credit, your credit history, amount of debt, and payment history indicates your willingness to repay a loan by how you have managed your finances in the past.

Credit scores have impact on the terms of the financing, the amount you qualify to borrow, and the interest rate. Scores are assigned a number from 350 to 800, which vary by reporting company (Equifax, Trans Union and Experian).

## 3. Budget Planning

Once you have determined how much home you can afford, it's time to focus on budgeting and saving for a down payment. You'll also need to have a cushion for home maintenance and repair expenses and emergencies. Make sure your budget plan takes into account "lifestyle" expenses and not just the basics.

#### **4. Shopping for a Home**

Buying a home is one of life's most exciting – and often stressful – decisions. Your Allen Tate Realtor is your trusted advisor throughout the process. Your Realtor knows the market and will provide exceptional service to help you find the right home for your needs, wants and budget. Our website, [allentate.com](http://allentate.com), is the premier resource for buyers and sellers throughout the Carolinas. Sign up for 1st to Know to have properties meeting your criteria e-mailed directly to your in-box.

Once you've found the right property, your Realtor will help you negotiate the offer to purchase, arrange for inspections and protect your interests as a buyer.

#### **5. Approval of Your Contract**

Congratulations! Once your contract has been accepted, your Allen Tate Realtor will provide a copy of your signed contract to your Allen Tate Mortgage Consultant, who will guide you through the loan process. It is in your best interest to meet with your Mortgage Consultant and complete your loan application paperwork as soon as possible.

#### **6. Loan Application**

At this time, loan documentation and information is provided or updated if you completed a pre-approval. You will sign all loan application documents and disclosures, including a Good Faith Estimate (GFE) of all fees and costs. A check to cover credit report and appraisal expenses will be required at this time. Your lender will provide written evidence to the seller and the selling agent that you have completed your loan paperwork.

#### **7. Loan Process**

Once your loan application is completed and the initial documentation is provided to your Mortgage Consultant, the information is sent to our Loan Operations Center for processing.

During this phase, you will be contacted by your Loan Processor by telephone or e-mail. The Loan Processor will order an appraisal of the contracted property, as well as tax transcripts to verify your income through the IRS. Your loan will be submitted to Underwriting while the Loan Operations Center is waiting on this documentation to keep the process moving forward. In most cases, your appraisal and tax transcripts will be received and sent to the Underwriter for final loan review within 10 business days.

Throughout the process, you will periodically receive e-mails informing you of the status of your loan application through our Status Online tool. This helps to keep you and your Allen Tate Realtor on track for closing. During this time, your Realtor will also coordinate the home inspection process and review/negotiate any repairs prior to the closing date.

## **8. Underwriting and Loan Approval**

As your loan is processed for approval, you may be asked to provide additional documentation, sometimes called “conditions” or “commitment term requirements.” These items might include an updated pay stub to show a recent raise, or a copy of the HUD 1 Settlement Statement, to show that you sold a previous home and have enough money for the down payment and closing costs. Your Allen Tate Mortgage Consultant will review what you need to provide so you are ready for closing.

## **9. Closing**

At least 48 hours prior to the scheduled closing date and time, a closing package will be sent via e-mail to the attorney you have selected for your closing. Your Allen Tate Mortgage Consultant and Realtor will review and explain the HUD 1 Settlement Statement and compare it with your Good Faith Estimate, so that you understand and are prepared for the amount of money you will need to close the loan. A certified check or cashier’s check for this amount, made payable to the attorney, will be required.

At the closing table, you will review and sign all documents, provide all necessary funds, and are handed the keys to your new home. The loan is recorded at the County Clerk’s office prior to disbursement. Congratulations – you’re a homeowner!

## **10. Loan Sale and First Payment**

Allen Tate Mortgage sells all loans in the secondary mortgage market, which simply means you will make your payments to another investor. Typically, first payment information is provided with your closing paperwork. Within two weeks of closing, you should receive welcome/follow-up letters from your new Loan Servicer. If you need help or are not sure where to make your payment, your Allen Tate Mortgage Consultant is always available.

## **11. Homeownership**

Your homeownership journey has just begun. As you enjoy your most important investment, it’s imperative to maintain it. The Allen Tate Family of Companies can provide support and advice regarding home repair/remodel, refinancing, insurance, assessment, revaluation and relocation. Our service to you does not end once you have purchased your home. We are there as your trusted advisor through every stage of the homeownership process. It is our pleasure to help you.

