what's a mortgage

# FHA LOAN GUIDE

Your quick start guide to learning the Federal Housing Administration home loans.

# PRIVACY POLICY

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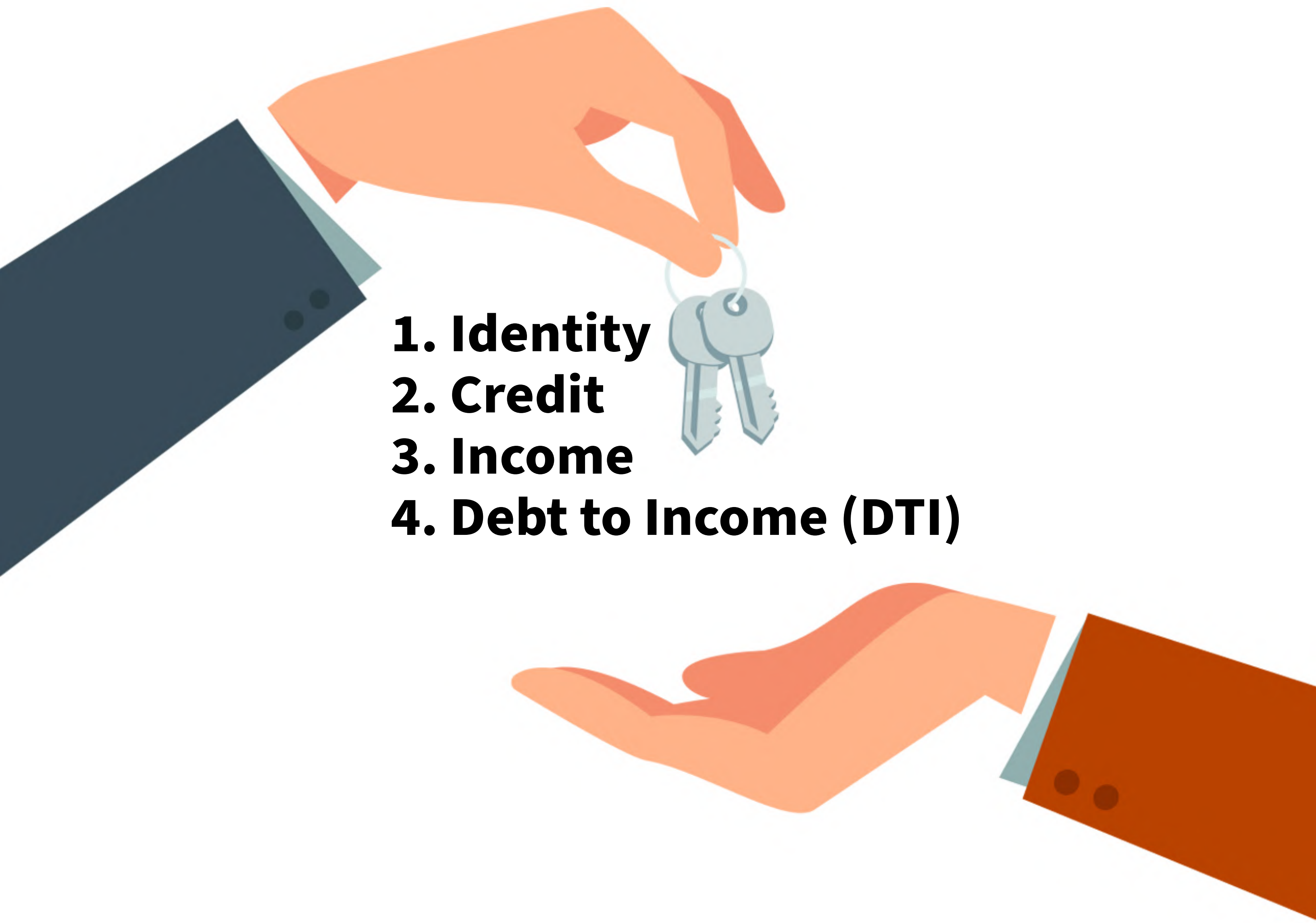
# WELCOME TO FHA

FHA stands for the Federal Housing Administration, a Government agency. The FHA was created in 1934 by HUD, The U.S. Department of Housing and Urban Development to increase home ownership in America.

The FHA loan is popular because of the flexible down payments at lower credit scores. However, borrowers must pay mortgage insurance premiums, which protects the lender if a borrower defaults. It's important to remember though, that the lower the credit score, the higher the interest borrowers will receive. FHA loans provide several advantages for first-time homebuyers as well as a unique set of qualifications for the purchaser and the property.

Throughout this cheat sheet, we will help you determine all of the factors going into this loan to make sure it's the best choice for you.

I've broken down the mortgage process into four keys: Identity, Credit, Income and DTI. Follow this guide in order to get an understanding of the FHA program, and don't forget to check out the Ultimate Mortgage Guide to gain a professional-level understanding of the mortgage process.



**1. Identity**
**2. Credit**
**3. Income**
**4. Debt to Income (DTI)**

# KEY 1: IDENTITY

## PERSONAL IDENTITY

You are a US Citizen, permanent resident, have a work visa, or are DACA (Defferment Action for Childhood Arrivals). You also need to be at least 18 years old. You cannot use ITIN to use this loan product.

## OCCUPANCY IDENTITY

The most basic eligibility rules for FHA loans include the requirement that the borrower be an owner-occupier of the property to be purchased. The owner must move into the home with 60 (sixty) days and stay for least 1 year (365 days).

There are a few exceptions to the FHA's occupancy rules. Military deployment or a job relocation that puts the owner outside a 50-mile radius of the home are two of the most common. Divorce or an increase in family size (which may require a larger property) could also qualify as exceptions.

FHA regulations do not permit FHA single family home loans to be used for investment properties. Although, after occupying an FHA-backed property for at least the first year, owners are free to use the property as they wish. This can include renting the property out or using it as a secondary or vacation home. Generally, the owners will still be limited to one FHA mortgage at a time, even after the one year occupancy requirement has been met.

## CO-OWNERSHIP

Non-occupying buyers can be co-borrowers or co-signers.

The difference between being a co-borrower instead of a co-signer is that co-borrowers are obligated by the mortgage and they co-own the property. They must be added to the property title at closing.

- Co-signer, always run spouses credit, you can use non occupied co-signer
- **Kiddie condo - a parent can buy a house for a child in college**

# PROPERTY IDENTITY

FHA regulations do not permit FHA home loans to be used for investment properties. Although, after occupying an FHA-backed property for at least the first year, owners are free to use the property as they wish.

**Search for a list of approved FHA Condos:**
**https://entp.hud.gov/idapp/html/condlook.cfm**

**FHA Condo Questionnaire:**
**https://www.hud.gov/sites/dfiles/OCHCO/documents/9991.pdf**

**FHA Spot Approvals:**

**Single-unit requirements:** For condominium projects with 10 or more units, no more than 10% of individual condo units can be FHA-insured. Projects with fewer than 10 units may have no more than two FHA-insured units.

**Investor limitations:** The program won't work with a project where half the units are not owner-occupied.

**FHA concentration:** Not more than 50% of the units in an approved project can be financing with FHA-insured mortgages.

**Commercial limitations:** The commercial/non-residential space within an approved condominium project not exceed 35% of the project's total floor area. Fannie Mae and Freddie Mac also have a 35% standard. The old FHA limit was 25%.

**Recertification:** The new rules extend the recertification requirement for approved condominium projects from two to three years.


# FHA Identity Rules

### First time home buyer?

For FHA home loans, you do NOT have to be a first time home buyer. There are grants and specialized loan programs for first-time home buyers are available in cities and counties throughout the United States. These programs provide down payment and/or closing cost assistance in a variety of forms, including grants, zero-interest loans, and deferred payment loans.

### FHA 100 mile rule

For many scenarios, the general FHA guideline is that borrowers may only have one FHA loan at a time. One such exception is for someone relocating and buying another primary residence. A buyer would need to relocate at least 100 miles from the former residence.

If you want to keep your first home and purchase another home using an FHA loan; the new home must be over 100 miles. If the new home is within 100 miles you can't use vacating income, if it's over 100 miles you can use vacating income to help you qualify to buy.

### Self-Sufficiency Rule

Self-Sufficiency Rule only pertains to triplex and 4 plex , does not pertain to SFR, condo, PUD, or duplex. The FHA wants lenders want to determine if the property you plan to purchase is self-sufficient. In other words, the monthly mortgage payment is less than 75% of the total gross value rent, including the rent the buyer will be living in. For example, if you collect $4,000 a month including the owners rent, and if the mortgage payment is more than $3,000, then you cannot use a FHA loan to buy that triplex and 4 plex.

# KEY 2:
# CREDIT


The three main credit bureaus – Equifax, Experian, and TransUnion – create your credit reports, which scoring models like VantageScore and FICO use, to come up with a score that typically ranges from 300-850. The credit bureaus can also calculate scores for you based on their own proprietary models.

Your scores are typically based on how often you make payments on time and how many accounts you have in good standing. Out of the three credit scores, the bank picks the middle of the three to determine whether or not to approve your home loan. Additionally, the lowest middle score for all applicants on the loan is selected.

Your score will never factor in personal information like race, gender, religion, marital status, or national origin. If you need help with credit repair, we can help. Email us at info@whatsamortgage.com.

If your credit score is at 580 or higher (620 preffered/660 for manufactured homes), and you haven't fallen into any other credit predicaments, you are ready for a FHA Loan!

FHA will determine your interest rate by your credit score. This is how they would rank it:

| Credit Score | Interest Rate |
|---|---|
| 580-600 | Bad Rates |
| 600-620 | Ok Rates |
| 620-640 | Good Rates |
| 640 + | Best Rates |

If you know your scores, write them in here for easy reference.

| EQUIFAX | experian | TransUnion |
|---|---|---|
| | | |

# FHA Public Records

These are public records that are on your credit report and the limitations of the time frame from your last bankruptcy (BK)/short sale (SS)/foreclosure. If you've ever had any type of bankruptcy, it will be seen in the public record matrix.

If you have tax liens, judgements, child support. there's no time sensitivity, as long as you have payments set up you can still qualify to buy no matter the program.

| CHAPTER 7 | CHAPTER 11 | CHAPTER 13 | SHORT SALES | FORECLOSURES | REPOS/ EVICTIONS |
|---|---|---|---|---|---|
| 2+ | 2+ | OK | 3+ | 3+ | 2+ |

All numbers are depicted in years.

**Chapter 7** - This chapter of the Bankruptcy Code provides for "liquidation" - the sale of a debtor's nonexempt property and the distribution of the proceeds to creditors.
**Chapter 11** - This chapter of the Bankruptcy Code generally provides for reorganization, usually involving a corporation or partnership. A chapter 11 debtor usually proposes a plan of reorganization to keep its business alive and pay creditorsover time. People in business or individuals can also seek relief in chapter 11.
**Chapter 13** - This chapter of the Bankruptcy Code provides for adjustment of debts of an individual with regular income.
Chapter 13 allows a debtor to keep property and pay debts over time, usually three to five years.
**Short Sales** - A short sale is the sale of a real estate property for which the lender is willing to accept less than the amount still owed on the mortgage.
For a sale to be considered a short sale, these two things must be true:

- The homeowner must be so far behind on payments that they can't catch up.
- The housing market must have gone down so much that the house is worth less than the remaining balance on the mortgage.

In most cases, the lender (and the homeowner) will try a short sale process in order to avoid foreclosure.
**Foreclosures** - Foreclosure is the legal process by which a lender attempts to recover the amount owed on a defaulted loan by taking ownership of and selling the mortgaged property. Typically, default is triggered when a borrower misses a specific number of monthly payments, but it can also happen when the borrower fails to meet other terms in the mortgage document.
**Repos** - Also known as a repurchase agreement, a repo is a form of short-term borrowing for dealers in government securities. In the case of a repo, a dealer sells government securities to investors, usually on an overnight basis, and buys them back the following day at a slightly higher price

# FHA Liability Tradelines

Tradelines are your credit accounts which are reported to the credit reporting agencies. Each tradeline contains detailed information about the account. There are 4 tradelines which banks examine to determine your behavior patterns of how you pay back debt. The 5th "N/A'' line below is not looked at by banks.

## LIABILITY TRADELINE MATRIX

| REVOLVING | INSTALLMENT | MORTGAGE | DELINQUENT | N/A |
|---|---|---|---|---|
| CREDIT CARD | CAR LEASE | TRADITIONAL | DELINQUENT | UTILITIES |
| DEPARTMENT STORES: MACY'S SEARS | CAR PURCHASE | HELOC | COLLECTIONS | CELL PHONE |
| FURNITURE STORES: LIVING SPACES | JEWLERY | | TAX LIENS | CAR INSURANCE |
| BANK CREDIT: BANK OF AMERICA WELLS FARGO | ELECTRONICS/ APPLIANCES | | CHILD SUPPORT | HEALTH INSURANCE |
| OTHER: CAPITAL ONE MASTER CARD TARGET | STUDENT LOANS | | JUDGEMENT | MEDICAL COLLECTION |
| | | | LIENS | |

**Revolving -** Revolving debt is the debt you've accrued from those various revolving credit lines. The two most common types of revolving debt are credit cards and lines of credit, like home equity lines of credit. With revolving debt, payments are not a set amount each month, but change based on your balance plus interest charges.
**Installment** - An installment debt is a loan that is repaid by the borrower in regular installments. An installment debt is generally repaid in equal monthly payments that include interest and a portion of the principal.
**Mortgage -** A mortgage is a debt instrument, secured by the collateral of specified real estate property, that the borrower is obliged to pay back with a predetermined set of payments.
**Delinquent -** A debt becomes delinquent when a payment is not made by the due date or the end of the. “grace period” as established in a loan or repayment agreement, in the case of a debt being paid in installments.
**N/A -** These debts are not looked at by banks.


# FHA Credit Rules

**Student Loans Payment Calculation**
Student Loans (Government Loans): Use 1% of the balance, or the fully amortized payment. (IN RED FONT) You cannot use the income base repayment payment

Ex.)
If you have $100,000 in student loan debt, 1% = $1,000
If you have $50,000 in student loan debt, 1% = $500
If you have $20,000 in student loan debt, 1% = $200

**Child Support?**
If you make child support payments, you need to show proof of your payments, and add that payment to your monthly debt to income ratio (DTI)

**Omitting a debt you cosign for**
You cannot be the only one on the loan, you must be the co-borrower not the main and you need a full 12 months proof the other party makes the payment

**Installment Debt**
You can omit payments if you have less than 10 payments remaining. You must make sure that the monthly payment must be less than 5% of gross income.

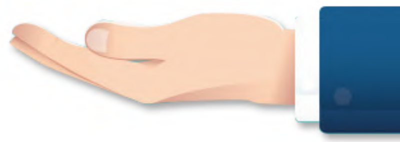
Ex.) If your gross monthly in come is $4,000. Your monthly payment cannot exceed:
$4,000 x 5% = $200 a month. If it does, you cannot omit this debt.

**IRS Liens**
You just need to show proof of at least 3 payments. These debts also need to be counted against your debt to income ratio (DTI).

**Have you defaulted with a federal loan**
If you have defaulted on any federal loan, you cannot get a loan. You need to get out of default first.

**Are you married?**
If you're married, you have to run your spouses credit no matter what. If they are going to be on the loan or not. You're going to have to count their debts against your debt to income ratio (DTI).

# KEY 3: INCOME



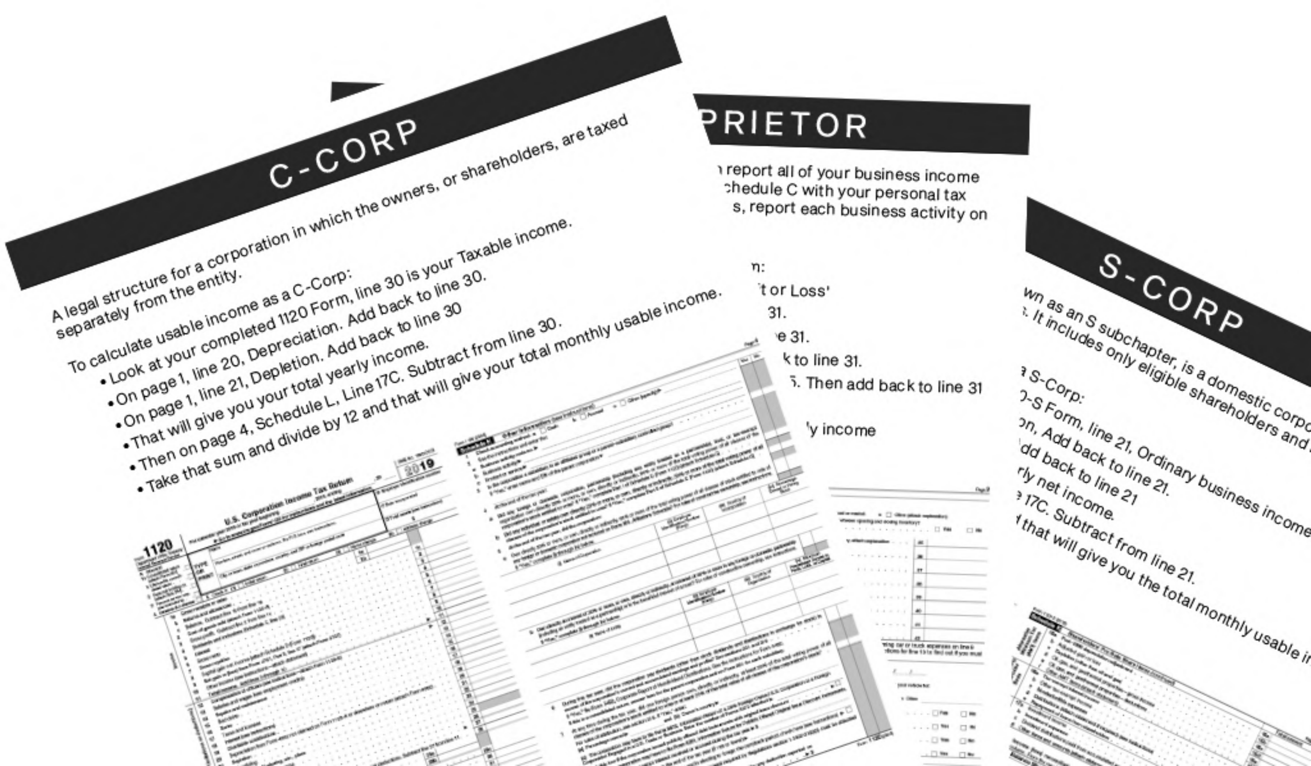
There is no minimum or maximum salary you can earn that will qualify you for or prevent you from getting an FHA-insured mortgage.

Fixed income can be upgrossed. Fixed income typically includes investments like government and corporate bonds, CDs and money market funds.

- You can upgross **non-taxable income to 115%.**
  Ex) $2,000 x 115% = $2,300

If you want to qualify using self employed income, you need to show 2 years of tax returns. There is no 1 year of tax returns option.

For full information on every type of useable income, check out the Ultimate Mortgage Guide!



## KEY 4:

# DEBT TO INCOME (DTI)

To calculate your DTI with the **Front End Ratio** we would take your potential monthly mortgage payment divided by your MONTHLY income.

For example; If you make $6,000 a month and the potential mortgage payment you're looking at is $3,000 you would divide 3k by 6k giving you .5. Multiply by 100 and you get a 50% Front End Ratio.

The **Back End Ratio** would be the $3k potential monthly mortgage plus $200 of your monthly car payment debt, $3200 total, divided by your monthly income of 6k. This gives you .53, multiplied by 100 is a 53% Back End ratio.

A simpler way to look at your DTI is to take your monthly income, add in all your monthly bills and liabilities, then add in a desired mortgage payment. Then multiply that by an ideal DTI percentage, to see where you are.

Check out the Ultimate Mortgage Guide to see full details about calculating your DTI.

______________ + ______________ x ______________

Monthly Bills/Liabilities | Desired Mortgage Payment | Ideal DTI %

| Annual Household Income | Monthly Household Income | 40% | 45% | 55% |
|---|---|---|---|---|
| $60,000 | **$5,000** | $2,000 | $2,250 | $2,750 |
| $70,000 | **$5,833** | $2,333 | $2,624 | $3,208 |
| $80,000 | **$6,667** | $2,667 | $2,999 | $3,666 |
| $90,000 | **$7,500** | $3,000 | $3,375 | $4,125 |
| $100,000 | **$8,333** | $3,333 | $3,749 | $4,583 |
| $110,000 | **$9,166** | $3,667 | $4,124 | $5,041 |
| $120,000 | **$10,000** | $4,000 | $4,500 | $5,500 |
| $130,000 | **$10,833** | $4,333 | $4,874 | $5,958 |
| $140,000 | **$11,667** | $4,667 | $5,249 | $6,416 |
| $150,000 | **$12,500** | $5,000 | $5,625 | $6,875 |
| $160,000 | **$13,333** | $5,333 | $6,000 | $7,333 |
| $170,000 | **$14,167** | $5,667 | $6,375 | $7,792 |
| $180,000 | **$15,000** | $6,000 | $6,750 | $8,250 |
| $190,000 | **$15,833** | $6,333 | $7,125 | $8,708 |
| $200,000 | **$16,667** | $6,667 | $7,500 | $9,167 |

# DOWNPAYMENT SIMULATOR

| HOME PURCHASE PRICE | 3.5% DOWN PAYMENT | 5% DOWN PAYMENT |
|---|---|---|
| $300,000 | $10,500 | $15,000 |
| $325,000 | $11,375 | $16,250 |
| $350,000 | $12,250 | $17,500 |
| $375,000 | $13,125 | $18,750 |
| $400,000 | $14,000 | $20,000 |
| $425,000 | $14,875 | $21,250 |
| $450,000 | $15,750 | $22,500 |
| $475,000 | $16,625 | $23,750 |
| $500,000 | $17,500 | $25,000 |
| $525,000 | $18,375 | $26,250 |
| $550,000 | $19,250 | $27,250 |
| $575,000 | $20,125 | $28,750 |
| $600,000 | $21,000 | $30,000 |
| $625,000 | $21,875 | $31,250 |
| $650,000 | $22,750 | $32,500 |
| $675,000 | $23,625 | $33,750 |
| $700,000 | $22,400 | $35,000 |
| $725,000 | $25,375 | $36,250 |
| $750,000 | $26,250 | $37,500 |
| $775,000 | $27,125 | $38,750 |
| $800,000 | $28,000 | $40,000 |

Using this down payment simulator chart, you can see the broad amount you'd need for your down payment with different purchase prices and down payment percentages.

Caution to look up their county loan limit.

# DOWN PAYMENT RULES

• Can use gifts to cover down payment, closing costs, or pay off debts

• Gifts must come from family members or your employer.

• You must account for cash gifts that help with the down payment. These gifts must be verified in writing, signed and dated by the donor

• Gift of Equity Rule: If you're being gifted a home (from parents) the down payment % is the amount of equity in the home you are being gifted
  • If you live at the residence - a minimum of 3.5% down payment required
  • If you do not live at the residence - 15% down payment required

**Down payment sourcing (where is your money coming from?):**
For FHA loans, you need to be able to source, or prove where, your money is coming from. If you have a deposit you can't source you can back out that particular deposit. For example, if you have 10k in your bank account, and you have 5k deposit you can't prove where it came from), you can just claim 5k. On a conventional loan you would have to back out the whole bank statement.

The exception to this sourcing rule is if the deposit is under 1% of the purchase price.

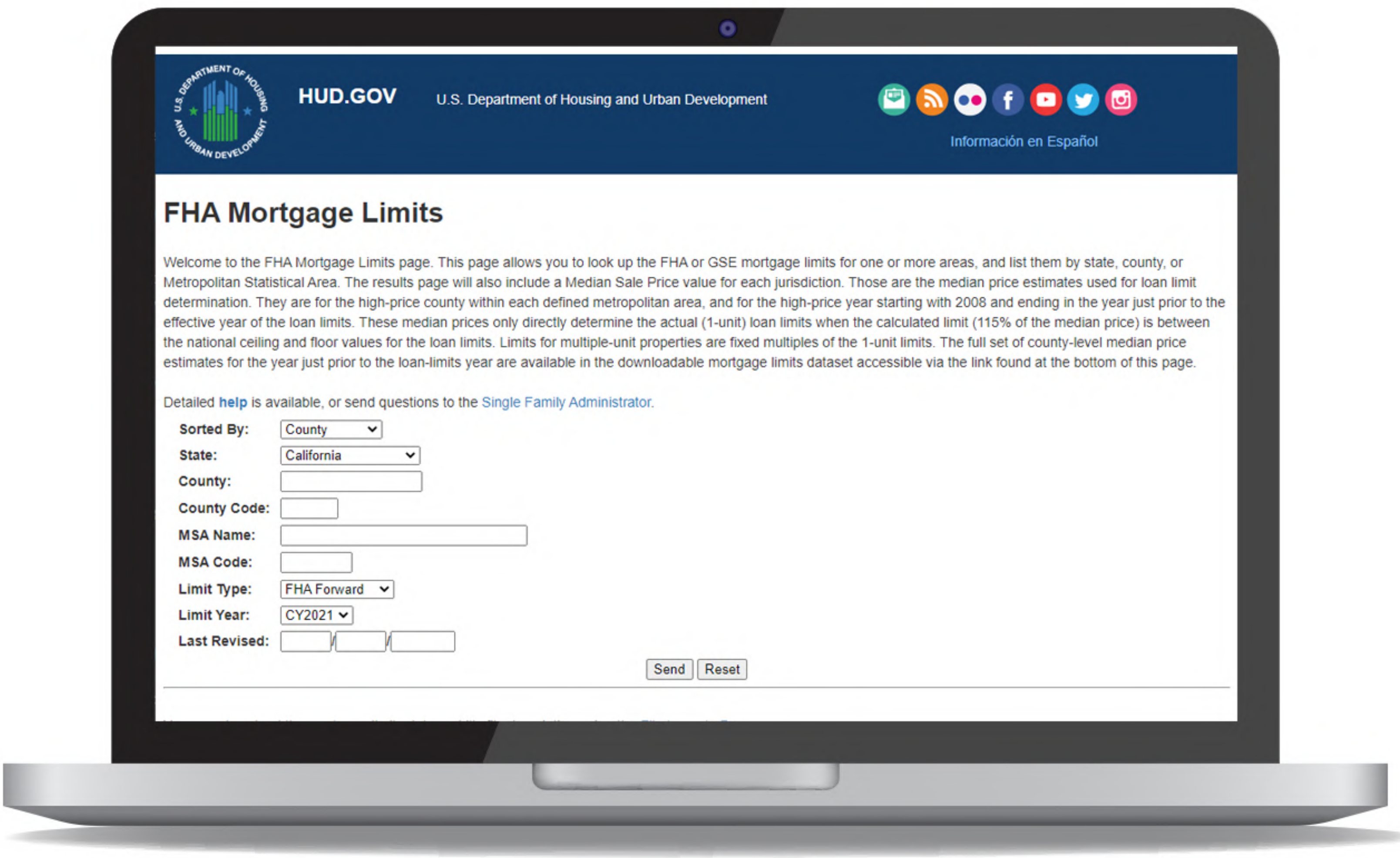
Ex. 400k purchase price, if your deposit is under $4,000 then you have to do not have to prove where the deposit came from. If it's over 1% you need to source your deposit.

# FHA LOAN LIMITS FOR 2020

Lending Limits for FHA Loans in CALIFORNIA Counties vary based on a variety of housing types and the cost of local housing. FHA loans are designed for borrowers who are unable to make large down payments.

The loan limits are based on the base loan amount, not the complete loan amount, which includes the upfront mortgage insurance.

National FHA county loan limits: https://entp.hud.gov/idapp/html/hicostlook.cfm



# CALCULATING UPFRONT & MONTHLY MORTGAGE INTEREST

Up-front mortgage insurance (UFMI) is an additional insurance premium of 1.75% that is collected on Federal Housing Administration (FHA) loans. This insurance money protects the lender in case the borrower defaults on his mortgage payments.

UFMI can be paid at the time the loan closes or rolled into the mortgage payments. It is in addition to ongoing mortgage insurance premium payments.

UFMI is calculated by taking the base loan amount and multiplying that against the MI rate.

Monthly MI is calculated by taking the base loan amount x the MI rate and divided by 12 months to determine the monthly payment.

Ex) $400,000 purchase price with a 3.5% down payment.

$$\boxed{\left(\text{PURCHASE PRICE} - \text{DOWN PAYMENT}\right) \times \text{UPFRONT MI RATE} = \text{UPFRONT MIP}}$$

UPFRONT MI: UPFRONT MI RATE: 1.75% (.0175)

$400,000 - $14,000 X 1.75% = **$6,755**

| PURCHASE PRICE | 3.5% DOWN | MI RATE | UPFRONT MIP |
|---|---|---|---|

**MONTHLY MI:** Monthly MI rate: .85% (.0085). For down payments of 5% or higher use a rate of .80% (.0080).

$$\boxed{\left(\text{BASE LOAN AMOUNT} \times \text{MONTHLY MI \%}\right) / \text{12 (MONTHS)} = \text{MONTHLY MORTGAGE INSURANCE}}$$

($392,755 X .0085) = $3,332 / 12 = **$227.67 MONTHLY MI**

# MI EXAMPLES

Examples with different base loan amounts/down payments. Up front MI Rate is set at 1.75% for this example.

| | PURCHASE PRICE | - | DOWN PAYMENT | = | BASE LOAN AMOUNT | x | 1.75% UFMI | = | FINAL LOAN AMOUNT |
|---|---|---|---|---|---|---|---|---|---|
| **3.5% Down** | $400,000 | | $14,000 | | $386,000 | | $6,755 | | $392,755 |
| | $500,000 | | $17,500 | | $482,500 | | $8,444 | | $490,944 |
| | $600,000 | | $21,000 | | $579,000 | | $10,133 | | $589,133 |
| | $700,000 | | $22,400 | | $677,600 | | $11,858 | | $689,458 |
| **5% Down** | $400,000 | | $20,000 | | $380,000 | | $6,650 | | $386,650 |
| | $500,000 | | $25,000 | | $475,000 | | $8,313 | | $483,313 |
| | $600,000 | | $30,000 | | $570,000 | | $9,975 | | $579,975 |
| | $700,000 | | $35,000 | | $665,000 | | $11,638 | | $676,638 |
| **10% Down** | $400,000 | | $40,000 | | $360,000 | | $6,300 | | $366,300 |
| | $500,000 | | $50,000 | | $450,000 | | $7,875 | | $457,875 |
| | $600,000 | | $60,000 | | $540,000 | | $9,450 | | $549,450 |
| | $700,000 | | $70,000 | | $630,000 | | $11,025 | | $641,025 |

Utilizing the base loan amounts from the chart above, I've created this cheat sheet for the monthly MI breakdowns. Please reference page #16 for the monthly mortgage insurance calculations.

| | BASE LOAN AMOUNT | | MI RATE | | | MONTHLY PAYMENT |
|---|---|---|---|---|---|---|
| **3.5% Down** | $386,000 | x | .85% | = | $3,281 | **$273** |
| | $482,500 | x | .85% | = | $4,101 | **$342** |
| | $579,000 | x | .85% | = | $4,922 | **$410** |
| | $677,600 | x | .85% | = | $5,760 | **$480** |
| **5% Down** | $380,000 | x | .80% | = | $3,040 | **$253** |
| | $475,000 | x | .80% | = | $3,800 | **$317** |
| | $570,000 | x | .80% | = | $4,560 | **$380** |
| | $665,000 | x | .80% | = | $5,320 | **$443** |
| **10% Down** | $360,000 | x | .80% | = | $2,880 | **$240** |
| | $450,000 | x | .80% | = | $3,600 | **$300** |
| | $540,000 | x | .80% | = | $4,320 | **$360** |
| | $630,000 | x | .80% | = | $5,040 | **$420** |

# UPFRONT MI (UFMI)

FHA collects a one-time Up Front Mortgage Insurance Premium (UFMIP) and an annual insurance premium (MIP) which is collected in monthly installments. Most FHA loan programs make the UFMIP a requirement for the mortgage and allow borrowers to finance this cost into the mortgage. Mortgage insurance protects lenders because low down payment loans are riskier than loans where borrowers have more equity.

The cost of this up front premium is 1.75% of the loan amount. If you choose to to roll this cost into your loan, you must do so for the whole amount. Otherwise, you can pay entirely in cash up front, but you can't split this cost into two payment methods.

Since UFMIP premiums are based on a percentage, there is no fixed dollar amount for either UFMIP or MIP. All loans are different, so actual dollar amounts will be based the calculations provided by your lender.

### Special Considerations for Up-Front Mortgage Insurance (UFMI)

Many people do not realize that premiums for up-front mortgage insurance can usually be refunded on a pro-rated basis if they paid it all at once, and then sell their home within the first five to seven years of ownership. In other words, they may be entitled to a substantial refund even years after the fact.

If a homeowner received their FHA loan before June 2013, they are eligible for a refund and cancelation of their up-front mortgage insurance premium after five years. A homeowner must have 22% equity in the property, and all payments must have been made on time. Homeowners with FHA loans issued after June 2013 must refinance into a conventional loan and have a current loan-to-value of at 80% or more.

# Calculating Monthly Mortgage Payment

When starting up the calculations for your mortgage payment, you will need two things:

- The current rates (https://www2.optimalblue.com/obmmi/)
- **The Techy Lender Mortgage Calculator**

I will show you the math necessary to get to the final numbers, but a mortgage calculator makes things much easier, with far less chance for error.

EXAMPLE

PURCHASE PRICE: $400,000
LOAN AMOUNT: $388,000

INTEREST RATE: 4.75%
DOWN PAYMENT: 3 % OR $12,000

**PRINCIPAL & INTEREST**

$$\frac{\text{LOAN AMOUNT @ INTEREST RATE}}{\text{12 MONTHS}} = \$1932.12$$

**HAZARD INSURANCE**

$$\frac{\text{PURCHASE PRICE X .15\%}}{\text{12 MONTHS}} = \$50.00$$

**TAXES**

$$\frac{\text{PURCHASE PRICE X 1.25\%}}{\text{12 MONTHS}} = \$416.67$$

**MORTGAGE INSURANCE**

$$\frac{\text{BASE LOAN AMOUNT X .85\%}}{\text{12 MONTHS}} = \$273.42$$

**TOTAL MONTHLY PAYMENT = $2672.20**


TECHY LENDER

**WWW.TECHYLENDER.COM**

# THE LOAN PROCESS

The loan process is a lot like playing hopscotch. You have to finish one step to jump to the next one. Just like hopscotch, there are 9 steps needed to win. A win means your loan funded. Are you ready to win? Let's begin!

**step 1** Find a lender. You want a lender that is transparent about their mortgage license, rates and fees. Your lender should give you different options, and offer under written approvals and not just pre-approvals.

**step 2** Find a realtor. You want a relator that knows how to negotiate during a sellers market and knows the costs of improvements. If you are buying a new build, you want your own representation.

**step 3** Find a house/open escrow. Determine your purchase price, negotiate terms and clear your earnest money desposite check (EMD Check).

**step 4** Initiate approval. Lock or float your loan. The lender will send out disclosures and Loan Estimate. The buyer will sign initial disclousres, and send in updated conditions to get initial approval. Appraisal, home inspection and termite are ordered.

**step 5** Conditional approval/clear conditions. Clear title, escrow and appraisal. Clear your credit, income, asset conditions. You will also lock your loan if you haven’t yet.

**step 6** CD/Docs. You will make sure you send out all disclosures. Make sure everything matches up with the loan estimate. If it doesn’t, there’s a 3 day cooling period. Your loan docs go out, and make sure your loan is locked!

**step 7** Sign loan docs. Sign your loan and escrow docs. Remember to use a notary approved by the title company.

**step 8** Bring in your money and do your final walk through. Becareful of wire fraud, make sure it’s wired from an account that has been verified by your lender.

**step 9** Fund your loan!

**step 10** Record and get your keys. Welcome home!

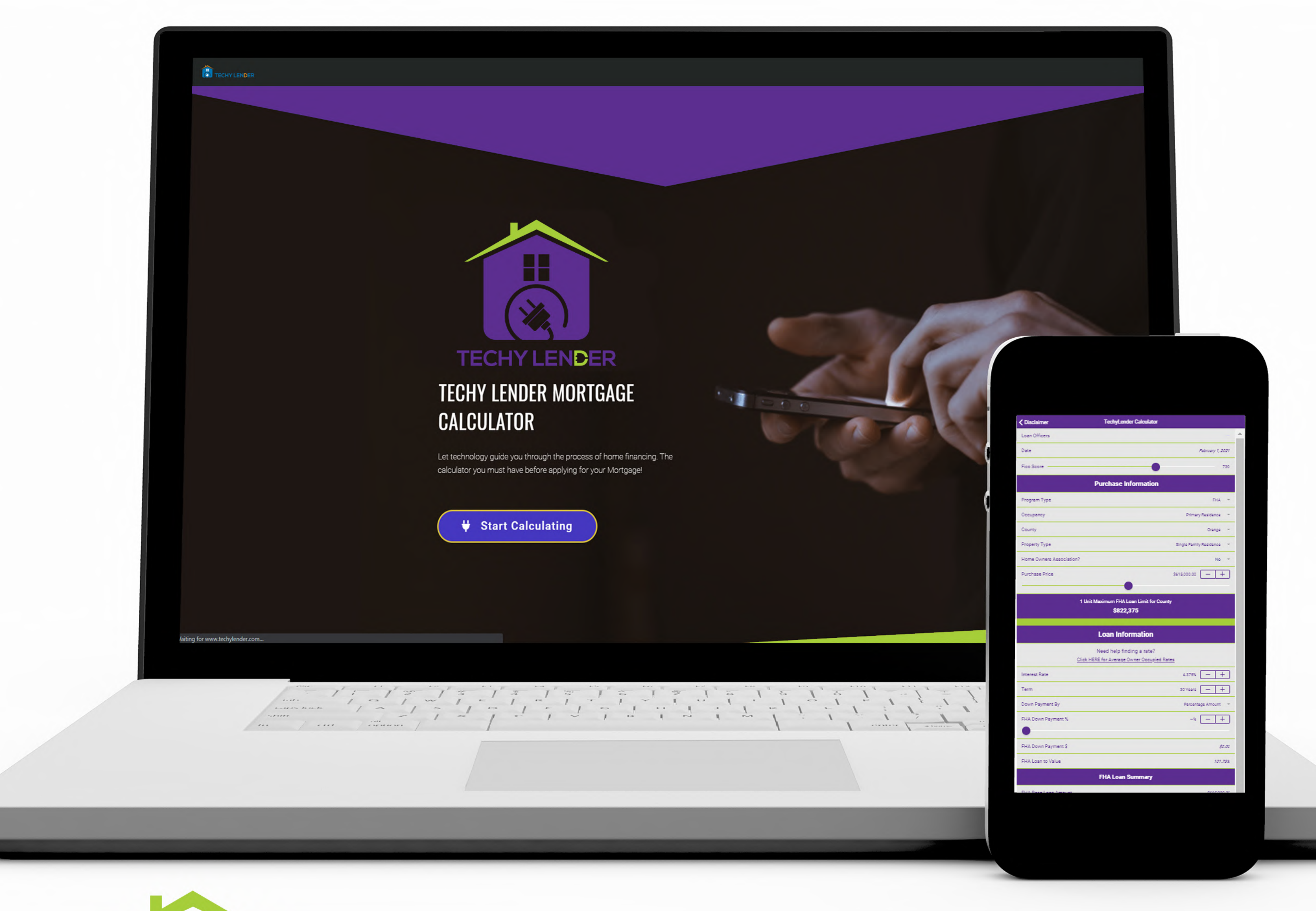
# THE DO'S AND DON'TS OF HOME OWNERSHIP

| DO | DON'T |
| --- | --- |
| STAY CONSISTENT IN YOUR WORK | DON'T TAKE TIME OFF OR STOP WORKING YOUR NORMAL SHIFTS/OVERTIME |
| SEND YOUR LOAN OFFICER YOUR PAY STUBS AND PAPERWORK SWIFTLY | DON'T RE-RUN YOUR CREDIT TOO MANY TIMES CAUSING A CREDIT INQUIRY |
| SAVE MONEY | DON'T RUN UP YOUR CREDIT WITH HIGH BALANCES |
| PAY YOUR BILLS ON TIME | DON'T TRANSFER MONEY AROUND YOUR ACCOUNTS |
| GIVE YOUR LOAN OFFICER MORE REFERRALS :) | DON'T FINANCE ANYTHING NEW/LARGE (CAR, JEWLERY, ELECTRONICS) |

# The Techy Lender Mortgage Calculator

## Qualify Before You Apply!

- Compare interest rate sceanarios
- LPMI vs Standard MI Comparisons
- Built-in loan qualifier




TECHY LENDER

Created by:
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**WWW.TECHYLENDER.COM**

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