

# Financing Guide

We know it's an exciting time for you. Buying a home and securing the right mortgage to meet your financial situation doesn't have to be complicated. We've prepared this guide to give you a solid foundation to help you get started toward the goal of homeownership. By having this information ready, the experience can be smooth and hassle-free and get you into your new home as quickly as possible.

## WHAT TO BRING FOR YOUR LOAN APPLICATION

Use the following checklist to be sure you have everything you need to help make your loan application an easy, hassle-free experience:

- Current pay stubs showing year-to-date earnings (covering the past 30 days)
- Documentation related to "other" income used to qualify for the home loan (i.e. Social Security, pension, etc.) if you'd like to have this information considered in determining the loan you may qualify for
- Most recent two (2) years complete individual tax returns and W-2s; if self-employed, previous 2 years Business Tax Returns, Year-to-Date Profit and Loss, Balance Sheet
- Previous 2 months bank statements, including investment and retirement accounts (all pages); all large deposits must be documented as to their source
- Landlord contact information (including name, address and phone number) for past 2 years
- Names, addresses, account numbers, current balances and monthly payments of all loans and revolving accounts
- Estimated values of automobiles, furniture and personal property
- Letter of explanation regarding any credit inquiries during most recent 120 days
- Letter of explanation regarding any derogatory credit matters reflected in your credit report
- Driver's Licenses
- If you are not a U.S. Citizen, please supply us with your Permanent Resident Alien Card
- VA Loans: Certificate of Eligibility and DD214. If Active Military, supply original Statement of Service
- If you have ever been separated or divorced, please supply us with your settlement papers
- If you have been discharged from bankruptcy and discharge papers
- Bond loans require 3 years of tax returns; if you cannot locate your filed returns, call IRS at 1.800.829.1040 to order W-2s/tax return transcripts
- Address(es) for previous 2 years and the total length of time you lived at each address
- Name(s) and address(es) of employer(s) for previous 2 years and total length of time worked with each. Include an explanation for any gaps in employment
- The net cash value of any life insurance or other annuities owned

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## WHAT TO WATCH FOR

Although a property inspector will do a thorough, professional inspection of your new home, it is a good idea for you to check a few things yourself when first considering the purchase of a particular home.

- Inspect wiring by testing all light switches and electrical outlets
- Inspect plumbing by testing all toilets and faucets
- Test windows and doors by making sure that they open and close securely
- Test appliance functionality such as oven/stove, furnace/air conditioner, garbage disposal, dishwasher, refrigerator/freezer
- Investigate any signs of structural or water damage (such as cracks, moisture, etc.) in walls, ceiling and floors

Once you've purchased your home, you will be doing a walk-through of the property to determine that all the conditions in your contract have been met. However, the time to inspect and note defects you want corrected by the seller is during the contract negotiations and prior to signing the contract. Any repairs or replacement items should be noted in the contract or be contingent upon home inspection. Your CORE agent can assist you with any concerns you have.

## CREDIT DOS AND DON'TS

In preparation for financing your new home, avoid activities or large purchases which can have an adverse effect on your credit.

### DO

- Continue making on-time mortgage or rent payments
- Stay current on existing bank and credit accounts
- Maintain stable employment with your current employer

### DON'T

- Make large or major purchase (car, boat, jewelry, furniture, etc.)
- Apply for new credit (even if you seem pre-approved)
- Open new lines of credit or close existing accounts
- Transfer balances owed between accounts
- Pay or settle a charge-off without first discussing with your loan officer
- Change bank accounts
- Max-out or over-charge your credit accounts, or consolidate credit card debt

## STEP-BY-STEP: WHAT TO EXPECT

Step 1 – Loan application submission

Step 2 – Loan application review

Step 3 – Loan package analysis including credit, property and conditions

Step 4 – Final completion of all documentation, closing criteria and the applying of funds to your purchase

See how easy that was? Good luck!