

Home Buyer Pre – Lending Package

Congratulations on the decision to buy a new home! The most important step in the home buying process is first obtaining a Mortgage Pre-Approval, and to understand the, mortgage process and the time-line stages.

The following Pre-Approval package is provided by Victor Bals of Huron Valley Financial.

My Team and I will assist in meeting all of your Mortgage and Financing objectives.

“Communication is Key to a Smoother Mortgage Process.”



Company NMLS: 130672
Senior Loan Officer NMLS: 162273



The Victor Bals Team of Huron Valley Financial

Cell:734-417-2115 | Fax:810-224-5123

8702 N Second Street Brighton MI 48116 | www.HVFLoans.com



Residential Loan Checklist

Income Info W-2 Employee

- Copy of your pay stub(s) covering the last 30 days
- Copy of your W-2 forms for the last 2 years
- Last 2 years federal income tax returns with all schedules

Asset Info

- Copies of bank statements (all pages) for the past 2 months for all accounts including 401k, IRA, investment, stock, and mutual funds

NOTE: Above asset statements must contain every page. Underwriting will not accept any statement with missing page(s). No exceptions

- Copy of current driver's license (front and back)
- If not a U.S. citizen, copy of your green card. (front and back)
 - If you have a rental property, provide detailed list of each property address, current mortgage statement(s), lease agreement(s), property tax information or tax bills, home owner's insurance information of each property, and monthly rents.
- Signed copy of divorce decree (if applicable)
- Proof of income from child support or alimony (if applicable)
- Pension statement or social security award letter (if applicable)

Mortgage Process Timeline

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Pre-Approval

After asking a few questions and filling out a Loan Application together, we will then check your credit. Based on the information we have at this point, we will determine which Loan Program is best for you. You can now consider yourself Pre-Qualified.

Document Collection

We will review your documentation such as paystubs, W2's, tax returns, etc, before issuing a Mortgage Pre-Approval. Send all of your information quickly so we can issue your Mortgage Pre-Approval and get you house shopping!

Finding a New Home

After the Pre-Approval has been issued, it's time to go HOUSE HUNTING. We are happy to crunch some numbers on any house you are interested in and give you a good idea of the estimated payment amount and cash to close.

Accepted Offer

When we receive the fully executed Purchase Contract and we will start to work everything up and prepare the Loan Disclosure Package for you. We will also let you know if we are missing or need to update any of your documentation.

Loan Disclosures

Once the Loan Disclosures are issued, reviewed, and signed by you, we will then order the Appraisal.

Loan Process

While we are waiting for the Appraisal to come back, we will prepare your file for Underwriting. It is a good idea to start shopping around for Home Insurance quotes.

Initial Underwriting Approval

After Underwriting reviews your file, they generally ask for additional information. We will work with you to gather any additional information still needed

Clear to Close

After Underwriting has reviewed and cleared any additional information provided, they will issue the "Clear to Close.." We can then start the process of scheduling a date, time, and location of the closing. The closing is generally scheduled for one week later from the date the Clear to Close is received.

Preliminary Closing Disclosure

We will send you a Preliminary Loan Disclosure giving you a closer estimate of your cash to close. Law requires this document to be signed no less than 3 full business days before the closing date.

Closing Disclosure

We will let you know your final cash to close figures and if the Title Company requires your funds in the form of 'wire' or 'cashier's check'. We usually have the final figures a day or two before the closing date.

Closing

At this time, you will meet at the Title Company or Real Estate office to sign your Closing Documents. This is a good time to ask the Seller any questions you may have regarding the property.

First Payment

Your 1st payment and all future payments will be due on the 1st of each month. The 1st payment will follow the first 'full month' your mortgage has been in place.

After Closing

We are hopeful to be your 'Lender for Life' and will always be available to answer your questions in the months and years to come. We will be here for you when you are ready to make your next move or if you are considering refinancing your current loan.

Financing Options

USDA Rural Development

This program is designed to help expand the ability to purchase rural housing for middle income borrowers. Under this program most of Michigan is eligible including Western, Oakland, and all of Livingston County. Unlike other mortgage programs, Rural Development allows 100% financing up to the appraised value with no monthly mortgage insurance (PMI). With competitive interests rates, no monthly mortgage insurance, and zero down payment this program is extremely popular for those who do not have a lot of reserves but a good work history.

FHA

This program allows purchases with just 3.5% down payment. Unlike the Rural Development program it does not have a maximum income level to qualify, and it is a bit more liberal on the debt to income ratios allowable. Gift Funds are allowed, and up to 6% of the selling price can be negotiated for the use of seller contributions or concessions. This is a great program in this real estate environment.



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Financing Options

VA

This program is exclusively for Veterans and is extremely similar to the FHA program except that it does not require a down payment. Closing Costs and Prepaid items may be paid by the seller. Gift funds are allowed. Benefit of VA financing is there will be NO monthly PMI (Private Mortgage Insurance)

Conventional

This program is generally for the upper echelon of borrowers. It requires at least a 5% down payment; and in several areas cannot be obtained without a 10% down payment. It carries a monthly mortgage insurance premium (PMI) if there is not 20% down, but has no funding fee in the closing costs to insure the loan. Borrowers with high credit scores and a sizable down payment usually utilize this program. Fixed, adjustable rate and Jumbo loan sizes are available.



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These are the important facts which should be considered prior to submitting an offer.

Property Scrub Sheet

Purchase Price:

| FHA | RURAL | VA | CONV | Other

Single Family | Site Condo | 2 Unit | Other Condo:

Condo Project Name:

Latest Summer Tax: \$

Latest Winter Tax: \$

Special Assessments: \$

Seller Concession: \$

Association Dues: (annually if applicable)

| Short Sale | Foreclosure | Vacant | Water Front | | City Water | Well |

Yes	No	N/A	
			Only names on the mortgage application are on the purchase agreement
			EMD comes from one named on the purchase agreement or acceptable gift fund source
			Buyer assuming the special assessment
			Seller pays for owner's policy
			Buyer pays transfer taxes
			Property currently homesteaded
			Property currently NON homesteaded
			Property transferred title in last 12 months

Date of Title Transfer:

Government Checklist

FHA, VA, and Rural Development Financing

This checklist is designed to assist you in identifying potential repairs associated with government financing. Government financing is available for properties that meet minimum health and safety requirements.

Once an appraisal is ordered on a property, it will be paid for by you. If the property is deemed to not meet the minimum standards set by the department of Housing and Urban Development (HUD), financing may not be allowable for this property. You will not be refunded for your home inspection or your appraisal fees.

This checklist is a valuable tool in identifying these potential concerns upfront, and will assist in the decision making process and negotiations of a potential property. Oftentimes, the seller of a property is unaware of issues that will stop the financing of the home.

By being aware of what an appraiser will be looking for, you may save hundreds or thousands of dollars on a purchase.



Ceilings / Interior Walls

Large holes		
Cracks that allow drafts		
Severe bulging		
Loose or falling material		
Paint-no severe peeling/chipped		

Floors

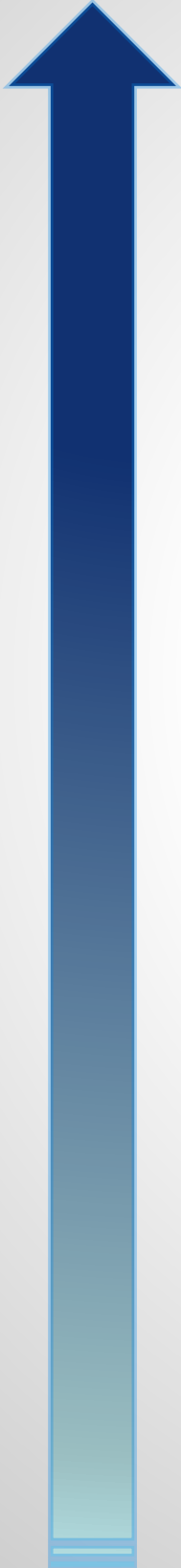
Large holes		
Cracks		
Missing or warped floorboards		
Laminate peeling		
Items causing a trip hazard		

Windows

At least 1 window in living room		
1 window in every room used for sleeping		
Window has broken or missing panes		
Window - does not shut		
Window - Excessive air filtration		
Windows that open-must have screens		
Security. All windows and doors accessible from outside must have operational locks		

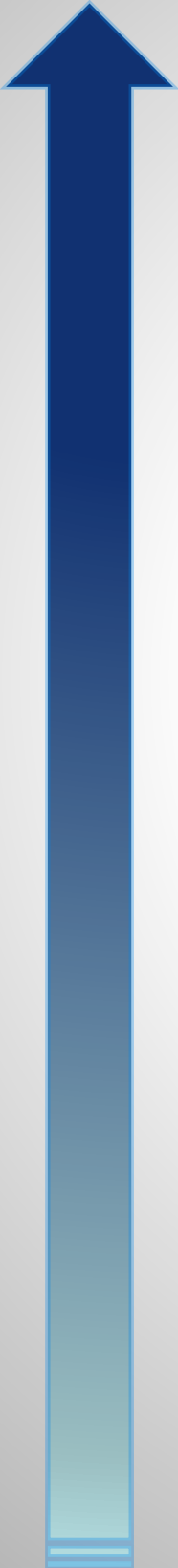
Electrical

Living Room-at least 2 electrical outlets or 1 outlet and a permanent overhead fixture		
Kitchen- 2 outlets and 1 overhead fixture		
Bath- least one overhead or wall fixture		
Broken or frayed wire		
Loose supported light fixtures		
Missing cover plates, switches or outlets		





Kitchen		
Space for food storage		
Food preparation area		
Running Hot & Cold Water		
(Buyer can supply) Operational Fridge		
(Buyer can supply) Range with operational oven		
Bathrooms		
Window that opens or exhaust vent		
A flush toilet properly working		
Tub or shower with working hot /cold water		
Sink with hot /cold running water		
Mechanical systems		
Pipes plumbing - in good condition		
Leaks		
Discolored water		
Running adequate heating		
Exterior		
Roof- no leaks		
Gutters / downspouts: securely fastened		
Structurally sound foundation		
Secure handrails on stairs, balcony, decks, porches more than 30 inches above ground		
No severe peeling or cracking paint		
Chimneys- no serious leaning or defects		
Health and Safety		
At least 2 exits from the building		
No Trash/garbage, inside or outside unit		
No sign of infestation		
No exhaust fumes, sewer gas or air pollution		
Interior stairs railings - working condition		
Stairway must be safely lighted		



QUESTIONS?

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Thank You!

Refer a friend and you'll be rewarded!!



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