Borrower Homeownership Preparation

- Where to Start
- The Process
- Education / Discovery
- What’s Changed

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Where to Start

- Pre-Approval Process
  - Complete Loan Application:
    - Online
    - In-Person
    - Over the Phone
  - Gather Income/Asset Documentation
    - Most recent Paystubs Covering last 3 pay periods
    - Most recent W-2’s covering last 2 years
    - Most recent tax returns covering the last 2 years
    - Most recent Asset Statements covering the last 2 months (Checking, Savings, Investments, & Retirement Accounts)
Initial Meeting

- Application Review
- Credit Report Review
- Debt Review
- Documents Review

- Discover Needs and Goals
  - Payment
  - Cash Out of Pocket
  - Plan for Property (short/long-term)
“Mortgage 101”

- Mortgage Education
  - Total Monthly Payment (PITI)
  - Total Cash Out of Pocket (Down Payment, Closing Costs, & Prepaid Expenses)
    - Home Buyer Assistance (1st Time Homebuyers)
    - Seller Paid Costs
  - Private Mortgage Insurance (PMI), Mortgage Insurance Premium, Funding Fee
Identify Mortgage Options

- Conventional
- FHA
- VA
- USDA

First-Time Homebuyer Programs:
- NIFA
- Fannie Mae / Freddie Mac
- Grant Funds

Education and Needs/Goals Assessment to Determine Best for Client to Make and Educated Decision
Today’s Mortgage

- Consultative / Goal Planning Approach
- Affordability vs. Qualifying to a Purchase Price
- More Tools Available
  - Instant Access (Phone Apps, Pmt Calculators, Applications, etc…)
  - Secure Loan Portals
  - E-Disclosures & E-Closings
- Credit Guidance: Now and for the future