



HOMEBUYER GUIDE





FAIRWAY[®]


INDEPENDENT MORTGAGE CORPORATION


Renee Duval - NMLS 97967
603-345-5644
<https://www.NHmortgages.com>


Benefits of **BUYING A HOME VS. RENTING**

- 
Stability
 Since you do not have a landlord anymore, your monthly payment won't increase annually. Homeowners with fixed-rate mortgages make the same monthly payments during the life of the loan, regardless of the local real estate market. monthly mortgage payment may be cheaper than rent.

- 
Freedom
 Since you own the home, you are free to decorate and renovate to fit your tastes.

- 
Equity
 Buying a home is an investment. When you rent, your landlord gains the equity. But when you own your own home, you build equity as you pay down the mortgage.

- 
Tax Benefits
 Your mortgage interest, property taxes and sometimes even closing costs are potentially tax-deductible,* possibly allowing you to pay less income tax as a homeowner.

- 
The Potential for a Lower Monthly Payment
 You may be surprised to learn that a monthly mortgage payment may be less than your monthly rent. In addition, with a fixed-rate loan, your monthly payment will stay the same for the length of your mortgage, while rent costs tend to increase every year.

MONTHLY RENT	AFTER 2 YEARS	AFTER 5 YEARS	AFTER 10 YEARS	AFTER 15 YEARS
\$900	\$21,600	\$54,000	\$108,000	\$162,000
\$1,000	\$24,000	\$60,000	\$120,000	\$180,000
\$1,200	\$28,800	\$72,000	\$144,000	\$216,000
\$1,400	\$33,600	\$84,000	\$168,000	\$252,000
\$1,600	\$38,400	\$96,000	\$192,000	\$288,000
\$1,800	\$43,200	\$108,000	\$216,000	\$324,000
\$2,400	\$57,600	\$144,000	\$288,000	\$432,000

*This advertisement does not constitute tax advice. Please consult a tax advisor regarding your specific situation

COMMON LOAN PROGRAMS

Fairway Independent Mortgage Corporation offers smart home financing options with flexible features that help make the transition to homeownership easy. As a direct lender for Fannie Mae (FNMA), Freddie Mac (FHLMC) and Ginnie Mae (GNMA), Fairway offers a wide variety of loan programs to fit your unique needs. Plus, first-time homebuyers may be eligible for additional programs as well.

LOAN TYPE	LOAN FEATURES
FHA	<ul style="list-style-type: none"> • Low down payment options (3.5% is the minimum)* • Credit Scores down to 580 • Higher % of income may be allocated to housing & other debt
VA loan	<ul style="list-style-type: none"> • Low or no down payment requirement • Credit Scores down to 580 • Available into JUMBO loan amounts (\$2M)
RD**	<ul style="list-style-type: none"> • No down payment required & seller can pay all closing • Income Limits do apply • Underwriting is more strict than FHA
CONVENTIONAL	<ul style="list-style-type: none"> • Interest Rates vary by credit score • Typically administered through Fannie Mae® or Freddie Mac • Down payment as low as 3.5%



*A down payment is required if the borrower does not have full VA Entitlement, or if the loan amount is greater than \$484,350. VA loans subject to individual VA Entitlement amounts and eligibility, qualifying factors such as income and credit standards, and property limits. Fairway is not affiliated with any government agencies. These materials are not from VA, HUD or FHA, and were not approved by VA, HUD or FHA, or any other government agency. **USDA Guaranteed Rural Housing loans subject to program stipulations and applicable state income and property limits.

Work with a Renee Duval to Obtain a **PRE-APPROVAL LETTER**









-  Getting pre-approved* is the first step in buying a home
-  There is a difference between pre-qualification** and pre-approval - do it the right way!
-  Find out the maximum payment you qualify for and/or explore your ideal payment range.
-  Be confident you know about all the mortgage programs & incentives available
*** down payment assistance ****federal tax credits
-  Understand the total cost of buying a home - upfront - at closing - each month
-  With authorization, your credit report can be used for automated underwriting
-  Assist your lender in evaluating your qualification for a mortgage by providing:
 - Most recent Paystub for each borrower
 - 2018 & 2017 W-2s & federal tax returns
 - Verbal and possibly written VOE to be obtained by Fairway Independent Mortgage Corporation
 - Most recent 30 day bank statement - all pages of statements issued monthly or quarterly
 - Most recent retirement statement
 - Deposits given with Purchase & Sales Agreement (P&S)
 - Gifts & Large Deposits Documented
 - Appropriate Explanations, Clarifications, and Additional Documentation as may be needed
-  Renee will evaluate your credit report, income, assets, down payment, etc.
-  Renee will provide you with :
 - 1) a pre-approval letter for one or more loan options
 - 2) worksheets showing the estimated total cost for each option
 - 3) ongoing support and assistance during your home search
 - 4) updated worksheets & preapproval letters for every property you want to consider
 - 5) Comparisons, Analysis, and other Info to help you be better prepared.
 - 6) Use of FairwayNow tools & portal found at www.ReneeMobileApp.co

*Pre-approval is based on a preliminary review of credit information provided to Fairway Independent Mortgage Corporation which has not been reviewed by Underwriting. Final loan approval is subject to a full Underwriting review of support documentation including, but not limited to, applicants' creditworthiness, assets, and income information, and a satisfactory appraisal. **A pre-qualification is not an approval of credit and does not signify that underwriting requirements have been met. ***VA loans subject to individual VA Entitlement amounts and eligibility, qualifying factors such as income and credit standards, and property limits. Fairway is not affiliated with any government agencies. These materials are not from VA, HUD or FHA, and were not approved by VA, HUD or FHA, or any other government agency. ****Eligibility subject to program stipulations, qualifying factors, applicable income and debt-to-income (DTI) restrictions, and property limits.

Things to Avoid


BEFORE BUYING A HOME


Here are 8 ways to prevent derailing your home purchase:


-  Don't spend your savings; if you move money around, keep a good paper trail
-  Don't start a new job that is not directly related to your most recent employment history
-  Whenever possible pay the balance in full on credit cards each month.
-  Don't allow any medical bills to go into collection status
-  Don't apply for a new credit card or consolidation loan or program
-  Don't open or close any credit accounts
-  Don't skip a payment or make a late payment on any of your accounts
-  Don't make expensive purchases like furniture, appliances or vehicles





Hire a **REAL ESTATE AGENT**


-  Know what to ask when hiring a Realtor.


-  Your Realtor may sit down and discuss what you are looking for in a new home:
 - Two-story, ranch, etc.
 - How many bedrooms, bathrooms, etc.
 - Time frame
 - Expectations
 - Agency paperwork

-  Your Realtor will educate you on the current real estate market.

-  Your Realtor may set you up on the Multiple Listing Service (MLS) to preview homes. When you find a home that you would like to see in person, your Realtor may schedule showings.

-  Your Realtor will write up an offer on the home of your choice and negotiate on your behalf.

-  You will need to sign the purchase contract and all disclosures. (Most of the forms can be securely e-signed.)

-  You will also receive additional information as to what your Realtor can do for you.







IMPORTANT INFORMATION

- 🏠 There is no obligation incurred by your being preapproved by Renee
- 🏠 Your Realtor and Renee will work together on your behalf thru the transaction and beyond!
- 🏠 No money is needed until an offer is made.
- 🏠 Once an offer is made:
 - Arrange for home inspection(s) and any required testing
 - Send the Sales Agreement to Renee as soon as it is available
 - Receive and acknowledge your loan application packet
 - Look for a an appraisal at or over the sales price made "as is" with no required repairs
 - Shop for insurance
 - Work with Renee to get your loan Cleared To Close - CTC!







Note: This is not an exhaustive list and additional information may be requested based on your individual situation.

Once the Offer is **ACCEPTED:**

-  Seller will cash your deposit check given with the Purchase & Sales Agreement (P&S)
Provide a proof the deposit was given and received by the Seller.
-  Buyer will schedule inspections and other tests at the buyer's expense.
 - This must be completed per the P&S, generally within 10 business days
-  A signed copy of the P&S and a copy of the deposit check should be sent to Renee ASAP
-  Renee will work with the you to finalize the loan option and lock the interest rate.
-  Your loan file will be updated to reflect the terms of the sales agreement
You may be asked to provide some additional documents at this point.
-  You'll receive loan disclosures via email if you opt to receive electronic delivery;
Once signed (or e-signed) your loan will be considered to be in process.

Once Your Loan is **IN PROCESS:**

-  The lender will order the appraisal on the property.
-  The buyer will contact the homeowners insurance agent for a quote.
 - The buyer will need to provide the closing date and home information but not pay for insurance. The first year's insurance will be collected at closing.
-  The buyer will provide the homeowners insurance name and contact information to the lender, and the lender will reach out for required documentation from them.
-  The lender will send everything to the Underwriter for initial review.

CLEARING YOUR LOAN TO CLOSE

- 🏠 Clear all inspections and required tests
 - Your Realtor will complete inspection addendum for anything to be worked on and submit to the listing agent for seller signatures or notify them that you are ready to proceed.
 - Submit water quality tests to lender for RD, VA and NH Housing loans
 - Submit termite/pest inspection to lender for VA loans
- 🏠 At this point, initial underwriting should be completed.
- 🏠 The lender will request any additional documents from the buyer that are listed as a condition to your loan approval.
 - work with Renee and her team to submit required documents as quickly as possible
 - an insurance binder is needed to clear the loan to close
 - a satisfactory appraisal is needed to clear the loan to close (lender will obtain)
 - a satisfactory title search is needed to clear the loan to close (lender will obtain)
- 🏠 The lender will let all parties know when “clear to close” is received
- 🏠 The lender will work with the buyer to schedule a time and location for the closing to take place






JUST PRIOR TO CLOSING



- 🏠 The lender will send initial CD (closing disclosure)that needs to be signed three or more days prior to closing.
 - The lender will advise the buyer not to get the cashier's check for closing yet because the final numbers could potentially change.
- 🏠 Your Realtor will schedule a final walk-through of the home
- 🏠 At this time, the buyer can take measurements, pictures, etc.
 - This typically takes place 24–48 hours prior to closing.
- 🏠 The final closing disclosure is ready (typically a day or two prior to closing).
 - The lender will advise the buyer of the exact amount the cashier's check needs to be for and who to be made out to (closing attorney).
 - The lender will advise buyer that they need to bring their driver's license to the closing.



DAY OF CLOSING

-  Buyers will sign all closing disclosures with the real estate attorney.
-  The Realtor will present the buyer with the keys to their new home.
-  Move in!

AFTER CLOSING

-  *Enjoy the benefits of homeownership
-  Stay in touch with Renee; she'll be there if you have questions!



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Helping People Move to Better Places!



**call Renee at
603-345-5644**



Renee Duval
Loan Officer
NMLS# 97967
295 Main Street
Tilton, NH 03276

renee.duval@fairwaymc.com



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www.nhmortgages.com