

THE MORTGAGE PROCESS

A client's guide to
understanding the
mortgage process.



THE HOMEBUYING PROCESS

At Brighton Bank, we are here to help you prepare for the homebuying process. The first step is getting pre-approved for a mortgage. A mortgage pre-approval is a process in which we evaluate your credit, income, and assets to understand your budget and purchasing power.

As a buyer, it's normal to have a lot of questions and be unsure of where to start. Connecting with qualified mortgage professional is the easiest way to begin the homebuying process.



THE PRE-APPROVAL APPLICATION

The pre-approval application consists of a series of questions that help determine the nature of your credit income in assets. This includes information about your income, asset accounts, the type of property you want to purchase, and debts and liabilities you are obligated to.

A pre-approval letter requires a tri-merged credit report. Once your credit is pulled, it is valid for 90 days. This gives you several months to get pre-approved, search for properties, go under contract, and close. A new credit report will be necessary if you do not find a property before your credit expires. The credit report allows us to see your monthly debt obligations as well as your credit score, which can impact the loan products and interest rate you qualify for. It also factors into your maximum pre-approval amount when looking at your debt-to-income ratio.

We will take your debt-to-income ratio into consideration when building out your budget. Your debt-to-income ratio is the ratio between your monthly debts (credit card payments, car loans, student loans, other mortgages, etc.) and gross monthly income. We can then include the maximum all in the monthly mortgage payment that you qualify for.

At the time of the pre-approval application, you will be asked to include documentation such as:

- Two most recent pay stubs
 - Two most recent W2
 - Two most recent tax returns
 - Two most recent bank statements for all asset accounts
 - HR contact to verify employment
 - Picture of ID
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- For those with unique income scenarios, such as being self-employed or using assets as income, we will further discuss financing options. While these documents are the standard, more documentation will be required as the loan process progresses and will vary depending on your individual loan scenario.

Once you are pre-approved, we'll connect with you to discuss and curate a personalized budget that makes you feel confident and excited about your decision to buy. Once you receive a pre-approval letter, we'll work alongside you and your agent to run monthly payments and closing costs for any properties you like and want to submit an offer on.

CLOSING COSTS



When purchasing a property, you can expect to bring down payment closing costs to the closing table. Some of the few fees a lender controls are the loan origination fee and appraisal fee. The list below details the standard costs of purchasing a home -

- Lender Fee
- Appraisal Fee
- Home Inspection Fee
- Title Fees
- Down Payment
- Transfer Tax Stamps (subject to required cities and counties)
- Escrow Fees (Taxes and Insurance)
- HOA Up-Front Fees (if applicable)
- Attorney Fees (Subject to the state in which you are purchasing)

We will break down these costs, their importance, and the amount that applies to you throughout your homebuying journey.

Your monthly mortgage payment will include your principal, interest, taxes, insurance, PMI, and HOA fees. We will walk through these with you for the property you are interested in purchasing.

LOAN OPTIONS

At Brighton Bank, we offer various loan options for buyers. We'll work with you to determine which loan product suits you and your needs best. Below is a list of options we can provide in addition to many other outlets to finance your home.



Conventional



FHA



VA



Multi-Family Loans



Construction Loans



USDA



**Down Payment
Assistance Loans**



Asset Depletion



Bank Statement



Jumbo Loans



DSCR



Primary Residences




Second Homes



**Investment
Properties**



No Doc



**First-Time Buyer
Programs**

TIMELINE



HOUSEKEEPING ITEMS

Starting the mortgage process can be overwhelming. That's why Brighton Banks takes pride on effective communication, transparent and easy-to-understand language, and attention to detail for every one of their clients.



As you begin this process, here are a few items to keep in mind:

DON'T

- Quit your job
- Open up any new debt
- Make any large deposits that cannot be sourced

DO

- Stay on time with any monthly debt obligations and repayment plans
- Be honest in your pre-approval application
- Notify us about all properties owned
- Notify us if you will be utilizing gift funds

OTHER THINGS WE CAN HELP WITH

- Timing your rental lease and the start of the mortgage without overlapping payments
- Competitive rates and terms
- Quick closes
- Refinances and loan restructuring



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