

ECU Mortgage

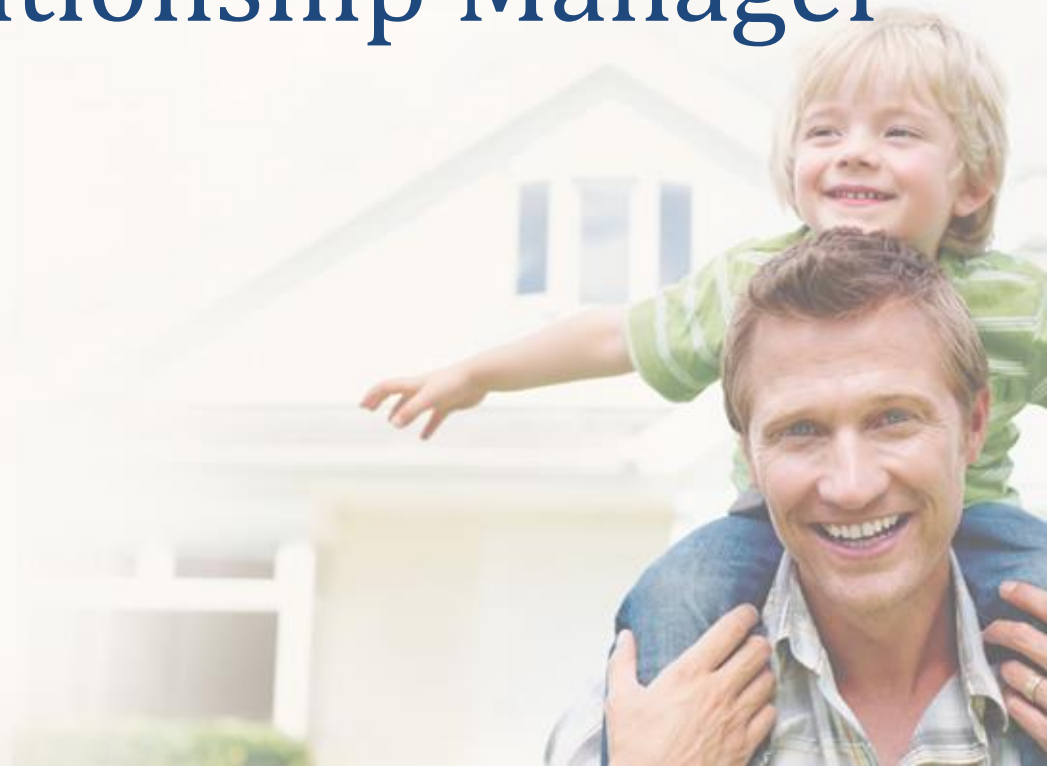
Mortgages that feel
like Home



Welcome

ECU Presenter

Mortgage Relationship Manager



Overview

- Preparing to buy
- Finding the perfect home
- The loan process

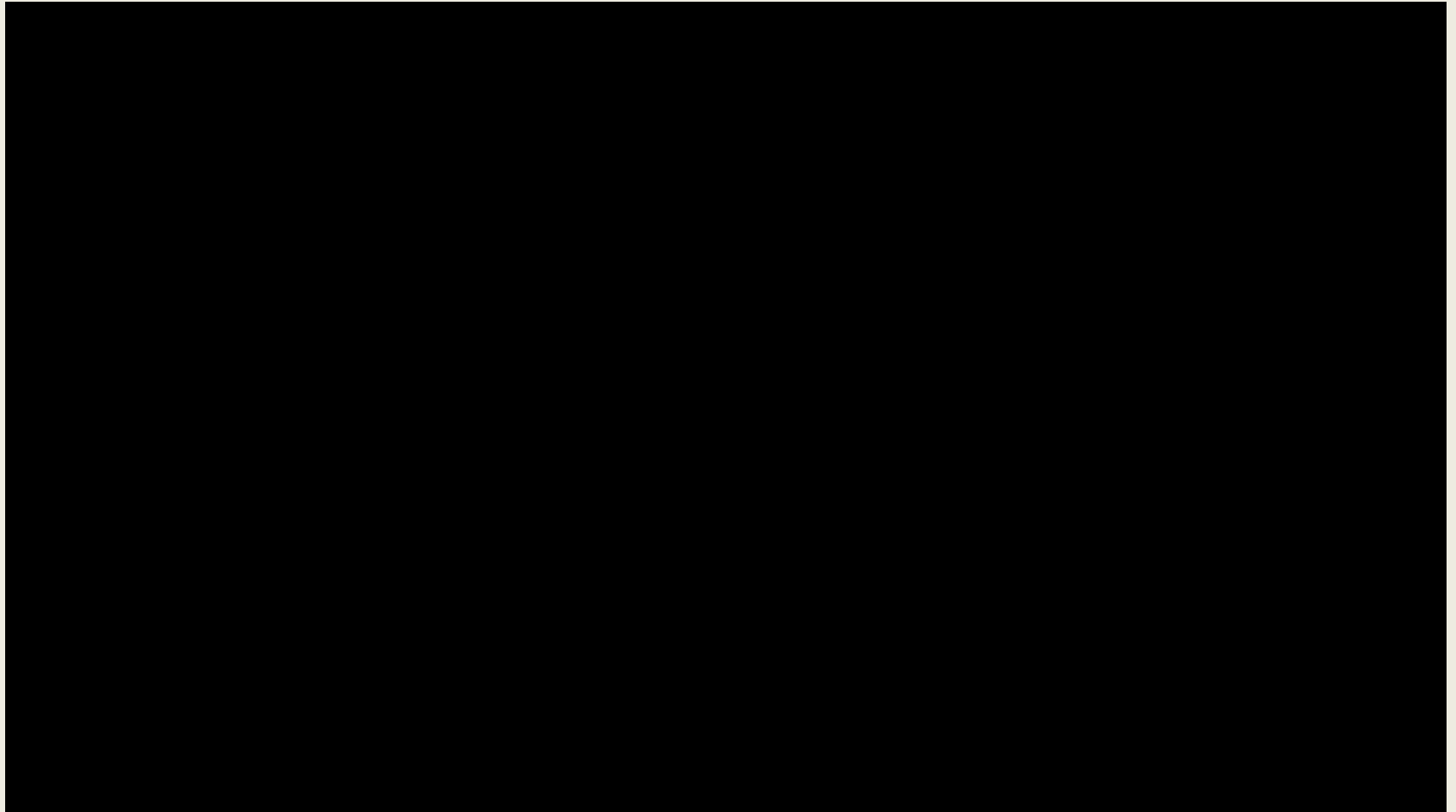


Advantages

- Build Equity
- Tax advantages
- Appreciates in value



Get Pre-qualified



3 Ways to Apply



In person



On-line at www.ecu.org



By phone

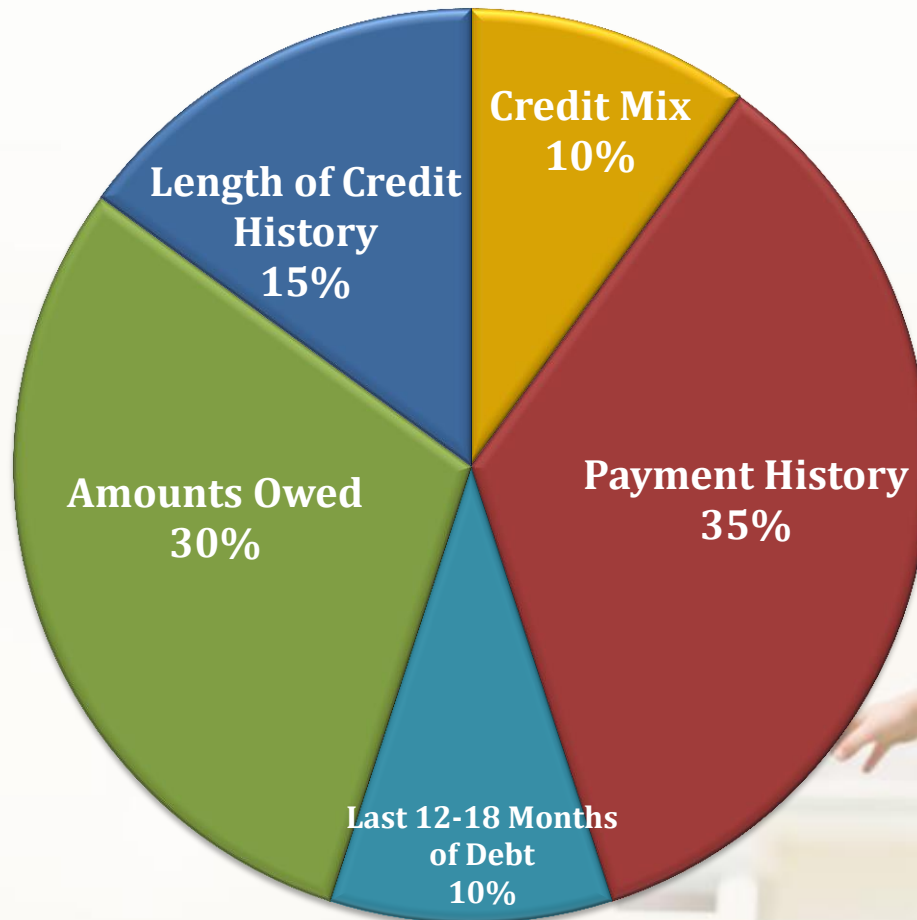


Understanding



- Late Payments
- Maxed out credit cards
- Excessive inquiries
- Closing credit cards that have long histories
- Opening several credit lines in a short period of time
- Having more credit cards than installment loans
- Borrowing from finance companies (i.e. 0% on furniture)

What makes up a credit score?



How much can you afford?

- Debt to income ratio
- Down payment
- Closing cost



Ongoing Costs

- Monthly payment (principal & interest)
- Property taxes and homeowners insurance, HOA fees (escrows)
- Utilities
- Maintenance



Congratulations!
You have been Prequalified!
So...what's next?



REALTOR®

Speaker: Local Realtor



Low & No Down Payment Options

- 100% LTV Financing Options

First Time Home Buyers

ECU Select 100

VA/USDA

- 97% conventional w/PMI
- FHA- 96.5% LTV (requires MIP)



What is PMI/MIP?

- Maybe required for loans with less than 20% down payment
- Added to the monthly payment
- Insures the Lender against payment default/
lower interest rates may apply
- Depending on loan type, may be cancelled
when loan reaches 80% LTV with
good payment history



No PMI Options

- First Time Homebuyer
- ECU Select
- Veterans Administration (VA)



Loan Processing

- Appraisal
- Verifications of deposit/employment (income)
- Title Search
- Underwriting



The Appraisal Process

Tracy Taylor

ECU Collateral Valuation Manager





Inspection Neighborhood
Appraisal
Kitchen Lot
Location
Bath
Bedrooms Market
Adjustments

What is an Appraisal?

"The act or process of developing an opinion of value; an opinion of value."

Who is an Appraiser?

"One who is expected to perform valuation services competently and in a manner that is independent, impartial and objective."

What is the Appraisal Procedure?

"The act, manner, or technique of conducting the steps of an appraisal method."



Sales Comparison Approach



Comparable



Comparable



Comparable



Subject



Comparable

Sales Comparison Adjustments



Sale 1 ↓



Sale 3 ↓



Subject



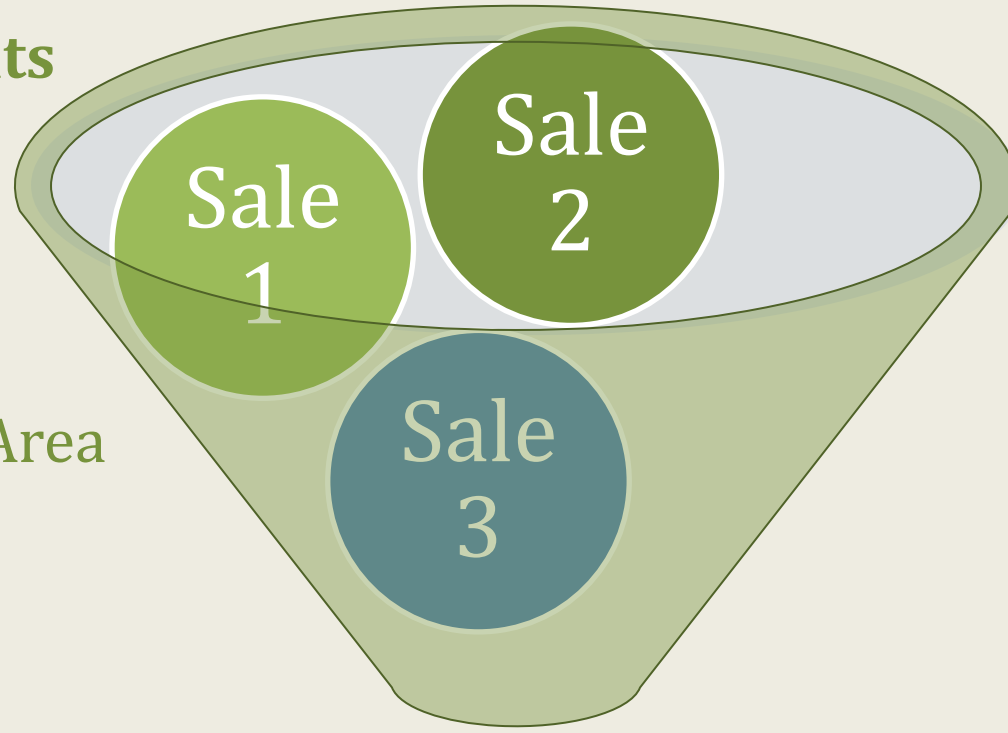
Sale 2



Sales Comparison Adjustments

+/- Adjustments

- ✓ Concessions
- ✓ Quality
- ✓ Condition
- ✓ Gross Living Area
- ✓ Basement
- ✓ Garage
- ✓ Pool
- ✓ Buildings



Range of Value → **Market Value**

Cost Approach

- 
- Land Value

- 
- Replacement Cost New
 - *Less Depreciation*

- 
- Indicated Value by Cost Approach

Attorney/Settlement Agent

Randy Brooks

ECU Title & Escrow Company



Topics

- Title Search
- Commitment to Insure
- Lenders Title Policy
- Commitment – Exceptions & Requirements



Exceptions

- Easements/Rights of Way
- Judgments
- Estate/Probate
- Federal Tax Liens
- Deeds of Trust
- Requirements to clear liens



Closing Preparation

- Receive and prepare documentation for closing
- Order payoffs – current mortgage, tax liens, etc.
- Schedule and coordinate closing with all parties



At Closing

- Review closing documentation
- Sign closing documents – Buyer and seller will attend
- Will need to bring Identification
- Cashiers check will be made to closing agent if funds are required



Lenders/Owners Title Insurance

- Lenders Title Insurance
Protects the lender
- Owners Title Insurance
Protects the buyer
One time purchase
Standard vs Enhance Policy



The Ten Do's and Don'ts

1. Don't apply for credit of any kind.
2. Don't close credit card accounts.
3. Don't max out or over-charge existing credit cards.
4. Don't consolidate debt to one or two credit cards.
5. Don't change or quit your job.
6. Don't make any large deposits into any of your accounts.
7. Don't make any large purchases.
8. Do pay off collections reported within 1 year, judgments, and/or tax liens. (Please consult your MLO prior to paying these off for further instructions.)
9. Do stay current on your existing accounts.
10. Do call your lender before you do anything that could affect your credit rating in anyway whatsoever.



Thank You

