



DIRECT MORTGAGE LOANS

MORTGAGE GUIDE



THE SOUTHERN COAST TEAM OF
DirectMortgageLoans

DIRECT MORTGAGE LOANS

THE SOUTHERN COAST TEAM

Thank you for choosing us for your home financing needs! We would like to take the opportunity to introduce the team that will get you to the finish line. You may have spoken with one of us or all at this point. Our team is made up of members: Jennifer Stout, Laurie Johnson, and Jenny Abee. Below is a quick explanation of what each of us does to ensure we close your loan efficiently.



JENNIFER STOUT

Sr. Loan Officer

I will structure the loan type, down payment, and determine the interest rate of your mortgage. Once the structure of the loan has been determined, we are ready to set up the loan and generate our electronic disclosures.



LAURIE JOHNSON

Branch Manager

I will be there every step of the way with Jennifer. Customer's experience is the heart of everything I do to make the home buying process as smooth as possible. With years of experience in the mortgage industry, myself and the team will work hard to find you find the right mortgage for you and your family.



JENNY ABEE

Inside Sales Agent & Loan Partner

I will be working with you to complete your pre-approval. I'm also here to run numbers, provide insurance quotes, and analyze income documents before you are under contract. Once you're under contract, Jenny prepares your file for processing. She will be in communication with borrowers to ensure a smooth transaction.

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MORTGAGE SOLUTIONS FOR EVERY BUYER

FHA

- Down payment as little as 3.5% down
- Flexible qualifying credit - possible to qualify with lower credit score.
- Flexible use of gift funds and grants for down payment.

CONVENTIONAL

- Reduced MI options
- As low as 3% down payment
- 620+ Credit Score
- Flexibility with student loans

FHA 203K

- May use gift funds
- Down payment as low as 3.5%
- Renovate the home with repairs
- HUD inspectors monitor large projects

JUMBO PROGRAM

- Fixed and adjustable rates available
- Credit scores starting at 680+
- Single loan up to 10% financing
- Second homes and investment properties

VA PROGRAM

- 100% Financing
- Mortgage is assumable
- VA Funding Fee can be financed in loan amount
- Disabled vets are exempt from paying the funding fee

USDA

- Low to moderate income borrowers
- 100% financing for qualified rural areas
- No maximum amount seller can contribute
- No PMI

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HOME BUYING CHECKLIST

FINANCES

- ☐ Get Pre-Approved
- ☐ Create a Monthly Budget
- ☐ Research Mortgage Options
- ☐ Save for a Down Payment & Closing Costs
- ☐ Establish & Maintain Good Credit
- ☐ Check Credit Score & Report

BUILD YOUR TEAM

- ☐ Find A Real Estate Agent
- ☐ Meet with Lender (DML)

DOCUMENTS

- ☐ W-2's from Past Year
- ☐ Pay Stubs from the Past 1-2 Months
- ☐ Proof of Supplemental Income
- ☐ Tax Documents from the Past 2 Years
- ☐ Bank Statements from the Past 1-3 Months
- ☐ Investment Account Statements
- ☐ Statements for All Debts
- ☐ Copy of Driver's License
- ☐ History of Residence for Past 2 Years

Source: Freddie Mac

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HOME BUYING PROCESS

STEP 1: CONVERSATION & APPLICATION

You and your loan officer will discuss your homeownership goals, establish expectations, and discuss available financing solutions. Next, fill out the quick and secure application. Documents required include W2s, Pay Stubs, Tax Returns, and Bank Statements.

STEP 2: UNDER CONTRACT

Once you've found your dream home, our loan coordinator will work with you to keep the ball rolling through inspections and the appraisal process.

STEP 3: PROCESSING

Prior to submitting your loan request to underwriting, our processor will make sure your file is buttoned up. It's at this stage we may need something clarified or further documentation.

STEP 4: APPROVED WITH CONDITIONS

Congrats! At this point in the process, your loan is approved with conditions. There are a few items to address before finalizing your loan commitment. You'll work with your loan officer and processor to update the underwriter's requests.

STEP 5: CLEAR TO CLOSE

Our in-house underwriters will review your final loan file for accuracy and completeness. This is the final stage of the loan process.

STEP 6: CLOSING

Prior to reaching the closing table, our team works to confirm the total funds needed to close. We want to ensure that your closing experience is smooth and exciting. You have made it to homeownership!

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WHAT'S IN A MORTGAGE PAYMENT?

PRINCIPAL OF THE LOAN

the amount borrowed or
the "amount financed"

INTEREST OF THE LOAN

the amount the lender
charges you to borrow the
money

PROPERTY TAXES

a portion of your payment will
be used for property taxes to
your local city/municipal

HOMEOWNERS INSURANCE

required financial protection you
must maintain in case your property
is damaged by fire, wind, theft or
other hazards.

PRIVATE MORTGAGE INSURANCE (PMI)

If your down payment is less
than 20% of the home's price
you will be required to obtain
PMI.

FLOOD INSURANCE

depending on your properties
geographic location you will be
required to obtain flood insurance

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MONTHLY BUDGET WORKSHEET

INCOME

Total Take Home	\$
Pension/ Social	\$
Disability	\$
Interest/Dividends	\$
Other	\$

TOTAL INCOME

EXPENSES

Total Rent/Mortgage	\$
Child Support/ Alimony	\$
Health Insurance	\$
Life Insurance	\$
Other Insurance	\$
Vehicle Payments	\$
Vehicle Insurance	\$
Other Loans	\$
Utilities	\$
Credit Card Payments	\$
Groceries	\$
Clothes/Personal	\$
Medical/Dental	\$
Prescriptions	\$
Household Goods	\$
Child Care	\$
Education	\$
Eating Out	\$
Entertainment	\$

TOTAL EXPENSES \$

CALCULATE

TOTAL INCOME	\$
-TOTAL	\$
EXPENSES	
DIFFERENCE	\$

NOTES