



# Homebuyer Guide



**DirectMortgageLoans**

THE MICHELLE JACINTO TEAM

NMLS# 209470 | 219.924.5554 | DMLMIDWEST.com

# Thank You.

Thank you for trusting Direct Mortgage Loans, the Michelle Jacinto Team, with your home purchase! Our knowledgeable team is here to guide you every step of the way, ensuring your home buying process is quick, easy, and direct.

No two clients are the same, and no two mortgage experiences are identical. Our goal is to deliver unparalleled service that is personalized for your home buying needs. We created this guide to help you navigate your way through the mortgage process, gather your required documents, and ensure your loan process is as smooth as possible. If you have questions, we are here to assist!

You have a team of loan professionals who will work with your best interests in mind, and will determine the best loan product for your needs. We'll be in communication with you throughout every step, and are only a call, email or text away!

Congratulations on taking the first step to purchasing your new home, and thank you for allowing our team to be your trusted mortgage lender.



Download our  
App Today!



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# Our Advantage:



## QUICK

With quick turn times, you'll be at the closing table in no time!



## EASY

The home buying process is simple with our DML App and guidance from our team of mortgage experts.



## DIRECT

Skip the bank. With direct access to funds, your loan will process the same and you'll receive prompt and personalized service.

## Loan Products:



### CONVENTIONAL

This mortgage solution allows at little as 3% down. 1 to 4 units used as owner occupied, investment properties, or 2nd homes.



### JUMBO

A mortgage solution for homes up to 3 million.



### FHA

Low down payment home purchase solution of 3.5%. This mortgage solution is for 1 to 4 units used as primary, owner occupied residences.



### NEWLY BUILT HOMES

Pick out your dream home and we can finance it!



### VA

Loan option for military veterans or active service members. 0% down payment options are available.



### 80/15

A mortgage solution to finance very large purchases. This loan option has a low down payment with no PMI.



### USDA

A mortgage solution for your rural homeownership dreams. 0% down options.



### NON - QM

A mortgage solution for borrowers that that do not meet the standards of standard loan programs. Allows flexibility on credit, alternative income documentation. Recent bankruptcy or foreclosure options.



# FAST, ACCURATE APPROVALS

- Large variety of mortgage solutions.
- Online application for a quick and easy pre-approval process.
- Down payment assistance available.
- First-time homebuyer programs available.
- Consistent client communication.
- Result-driven business operations.
- Providing you the best possible experience.
- Availability nights and weekends.
- Si, hablamos español!



Licensed in both  
Indiana and Illinois



NMLS# 209470

Apply online and  
meet the team!



**FOP MEMBERS,  
WE HAVE YOUR SIX!  
UNLOCK YOUR  
BENEFITS TODAY!**



**\$500 Closing Credit Or  
Gift Card After Closing.**

**\$100 Donation In Your Name,  
to the FOP Foundation.**

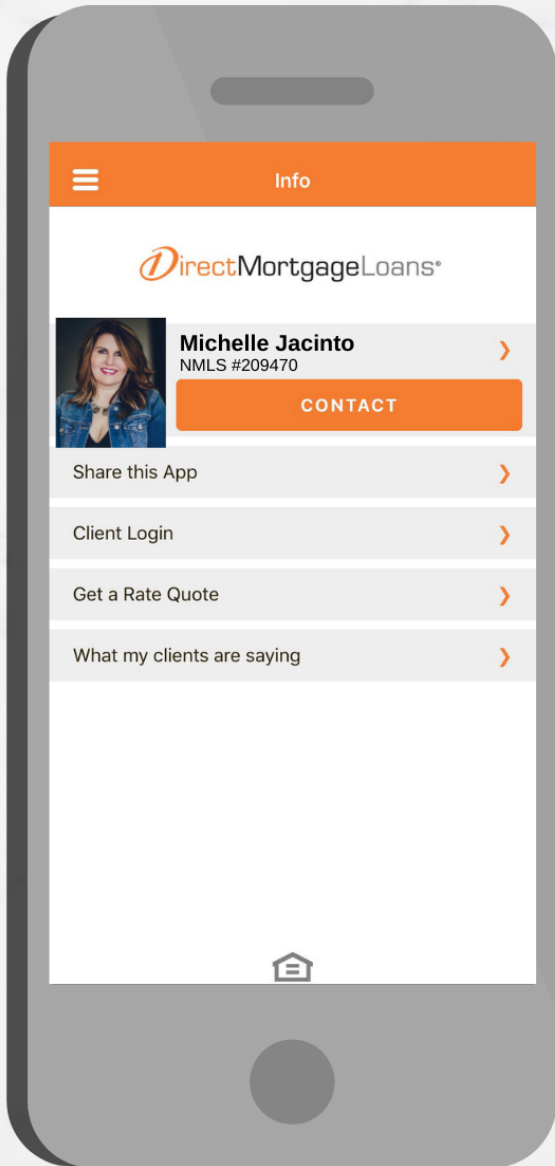
Contact us to learn more about your exclusive benefits,  
and for a FREE mortgage consultation.



Eligibility and approval is subject to completion of an application and verification of home ownership, occupancy, title, income, employment, credit, home value, collateral and underwriting requirements. Direct Mortgage Loans, LLC is licensed in Indiana. Direct Mortgage Loans, LLC NMLS ID# is 832799(www.nmlsconsumeraccess.org). Direct Mortgage Loans, LLC office is located at 8227 Wicker Avenue, Saint John, IN 46373. This is a paid endorsement.



# Download Our App



## HOUSE HUNT CONFIDENTLY

with your pre-approval letter in hand!



### App Benefits Include:

- ✓ Mortgage calculator on the go.
- ✓ Complete pre-approval application.
- ✓ Print Pre-approval letter directly from the app
- ✓ Securely scan and upload documents.
- ✓ Easily chat within the app.

# Application Checklist

Your pre-approval letter is powerful in the home buying market. It communicates that you are a serious buyer to your real estate agent and home sellers. It is also the first step to buying a home. Use the checklist below to ensure you have collected the most commonly needed documents for approval for your pre-approval application.



## NEEDED FROM EACH PERSON ON APPLICATION:

- All pages of federal tax returns (past 2 years)
- W2s and 1099s (past 2 years)
- Most recent consecutive paystubs (past 30 days)
- All pages of all asset statements (past 2 months)  
*Example: Checking/savings accounts, stocks, 401k*
- Current mortgage and homeowner's insurance statements, if you currently own property
- Copy of driver license (emailed photo of license is acceptable) and social security card if available.



## IF YOU ARE SELF-EMPLOYED:

- All pages of business tax returns and K1 documents (past 2 years)



## IF YOU HAVE RETIREMENT INCOME:

- Copy of this year's Social Security Award Letter
- 1099s for Social Security (past 2 years)
- *For pension income:*
  - Award letter showing monthly amount
  - 1099s (past 2 years)



## IF YOU HAVE CHILD SUPPORT/ ALIMONY INCOME

- Full divorce decree/child support order
- Proof of child support/alimony being deposited into bank accounts (past 12 months)

# Your Path to Homeownership

Below are the steps to the home buying process. The process may differ from person to person depending on your personal home goals and financial situation.

## FINANCES

- Complete our quick and secure application.
- Submit any required documents needed for application.
- Once you have your pre-approval letter, you are ready to go house shopping.

## SIGNING & CLOSING

- Bring everything you need (driver's license/photo ID, wire and/or Certified/Cashier's Check).
- Sign all final loan documentation and get the keys to your new home.

## CLEAR TO CLOSE

- Once all conditions have been received, our in-house underwriter will review your final loan file for accuracy and completeness before issuing your Clear-to-close (CTC).
- Once your file is CTC, Your closing will be scheduled the time, date, location and time for closing will be provided.



## HOUSE SHOPPING

- Work with your real estate agent to help find your dream home.
- Found the house you want to make a home? Submit an offer.

## MAKE AN OFFER

- With your real estate agent, you'll submit an offer to purchase your dream home. Once the offer is accepted by the seller, you'll officially be "under contract."

## UNDER CONTRACT

- Your file will be updated, appraisal ordered, and your application officially processed.
- You will meet the processor who will be your 'Loan Best Friend'. The processor will work together with you and the underwriter to complete everything needed on your individual loan. The goal is to obtain a Clear to Close.



# Tips to Becoming A Homeowner

Becoming a homeowner can seem daunting, but with our team's guidance, and by following the seven tips outlined below, you'll be at the closing table in no time! It is very important to be cautious with your finances while under contract. Consult our team before making any decisions that could delay your home purchase.

Take the time to review your monthly expenses and budget a comfortable mortgage payment.

1

Organize your documents for a smooth mortgage application. (See page 4 for the list)

2

You don't need perfect credit to qualify for a mortgage.

3

Don't change employment if you are thinking about buying or go under contract.

4

Don't make any large purchases, open lines of credit, or credit pulls before closing.

5

Communication is key to a smooth process. It is crucial to be transparent and honest with your loan officer. Please reply to emails and phone calls quickly.

6

Don't max-out credit cards, consolidate debt, miss payments, or cosign for anyone when considering buying.

7



# CREDIT SCORES

THE HIGHER, THE BETTER

## WHAT DETERMINES MY CREDIT SCORE?

### CREDIT MIX

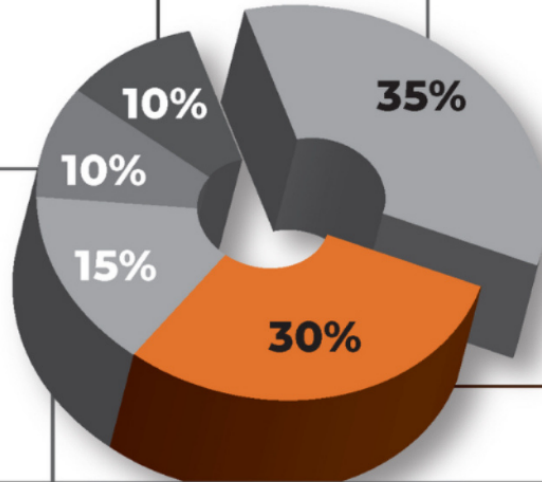
Your credit score will reflect a combination of credit cards, retail accounts, installment loans, finance accounts and mortgage loans. While a healthy mix will improve your score, it is not necessary to have one of each, and it's not a good idea to open credit accounts you don't intend to use. The credit mix usually won't be a key factor in determining your score, but it will be more important if your credit report doesn't have adequate information on which to base a score.

### PAYMENT HISTORY

The factor that has the biggest impact on your score is whether you've paid past credit accounts on time. However, an overall good credit picture can outweigh a few late payments, which will continue to have less impact over time - unless the late payment is a mortgage.

### NEW CREDIT

People today tend to have more credit and shop for credit more frequently. Opening several credit accounts in a short period of time can represent greater risk, especially for people with short credit histories. Requests for new credit can also represent great risk.



### AMOUNTS OWED

Having multiple credit accounts and owing money doesn't mean you're a high-risk borrower. But having a high credit utilization on numerous accounts can suggest that you are financially over-extended and may be more likely to make some payments late or not at all. Part of the science of scoring is determining how much debt is too much for a given credit profile.

### LENGTH OF CREDIT HISTORY

In general, a longer credit history will increase your credit score because it shows that you can responsibly manage your available credit over time. However, even people who have not been using credit very long may get higher scores, depending on how the data drives your score through your credit report.

## CREDIT SCORE MYTHS



One of the most popular myths about credit scores is that closing an account will improve your credit score. While having too many open accounts may hurt your score, closing an account puts and to your credit history with the creditor. Your credit history is a vital part of calculating your credit score. If you want to improve your score, it's generally better to pay down your balances than it is to close your accounts, especially older accounts.



Don't be fooled by those who say co-signing doesn't mean you're responsible for the account. Regardless of this credit myth, if you open an account jointly or co-sign a loan, you will be held legally responsible for the account. Activity on the joint account is displayed on the credit reports of both account holders. The only way to end the dual liability is to have one party refinance the loan or persuade the creditor to formally take you off the account.



Another popular credit score myth is that ordering a report can hurt your credit score. While applying for a new line of credit may affect your score negatively, ordering a credit report does not hurt your credit. If you're in the market for a new home and you need to inquire with several lending companies, it's a good idea to do so in a short period of time.

Multiple inquiries within a 45-day period are generally treated as a single inquiry.



Contrary to the credit myth that paying off a debt boosts your score by 50 points, it's almost impossible to calculate the difference in points changing one factor might make. It's wise to pay your bills on time, work to lower your debts and ask that any inaccuracies be corrected. A proven record of sound behavior and time will have the most significant impact on your score.



Have you heard the myth that paying off a negative record means it's removed from your credit report? Generally, negative records, such as collection accounts and late payments, will remain on your credit report for up to seven years from the date of first delinquency. Paying off the

account sooner doesn't mean it's deleted from your credit report; instead it's listed as "paid." You can expect the negative record to have some effect until it is purged from your report.



One final myth is that seeking consumer counseling is as damaging to your credit as filing for a bankruptcy. While this type of counseling may alert potential lenders of a credit concern, most lenders look at the bigger picture. Some even see consumer counseling as a positive sign of a commitment to making lasting changes in your credit payment habits.

Direct Mortgage Loans is not a credit repair company. This information is intended for educational purposes only.

# You have a team that will guide you throughout the home buying process.

We are happy to answer questions or get you the information you need!

## What you can expect from our team:

- Provide competitive rates for the loan product that best fits your situation.
- Knowledgeable and reputable team that will help you get an accepted offer!
- Guide you through your application process, and the important steps in the home buying process.
- Collect documents for:
  - Pre-Approval
  - Processing
  - Underwriting
  - Final Approval
  - Necessary 3rd Party Documents
- Provide updates on conditional approvals and loan progress.
- Honest and open communication from our team. We are here for you, throughout the process. You can count on us!
- Maintain an open-line of communication during the loan process.
- We will coordinate with your real estate agent the closing schedule.
- Request homeowner's insurance policy from your insurance agent.
- Review your final Closing Disclosure with you for accuracy.
- Prepare you for closing.



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# Proud of the Recognition

We believe that these awards are a direct result of the commitment we place on teamwork, transparency and accountability – to our clients, partners and each other.



2020, 2021, 2022



2022



2013, 2014, 2017, 2018,  
2019, 2020, 2021



2016, 2021



2021



2019, 2020, 2021, 2022



2019, 2020, 2022



2017



2018, 2019, 2020,  
2021



2017, 2019, 2020



2019, 2020, 2021



2019, 2020, 2021, 2022

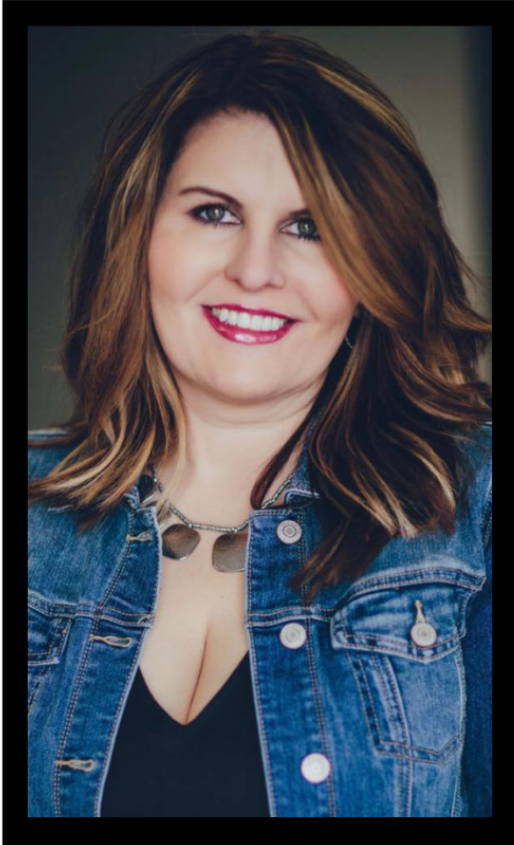


2020, 2021, 2022



2020, 2021

# PROUD TO SERVE VETERANS



**Michelle Jacinto**

Branch Manager | NMLS# 209470

Branch Manager, Michelle Jacinto's philosophy is, "If you treat people the way you want to be treated, it will come back to you." Michelle started her adult-career by serving in the Army. While in the military, Michelle built her foundation for success from hard-work, teamwork, and applying the Golden Rule. Today, as a Nationally Registered and State Licensed Mortgage Loan Originator in Indiana and Illinois, Michelle applies the same principles to her branch operations. She is dedicated to helping her clients find the BEST mortgage solution and is passionate about simplifying the mortgage process to ensure her clients understand their home financing options. Michelle, and her team at Direct Mortgage Loans, provides a full range of mortgage products, competitive interest rates, and the highest level of service. Whether purchasing or refinancing, her team will provide detailed information along the way, and will assure everything runs as smooth as possible. With her Mid-Western roots, Michelle also enjoys giving back to the community that has given her so much.



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Download our  
App Today!

# Monthly Budget Worksheet

## INCOME

Total Take Home	\$
Pension/ Social	\$
Disability	\$
Interest/Dividends	\$
Other	\$
<b>TOTAL INCOME</b>	

## 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	\$
<b>TOTAL EXPENSES</b>	\$

## CALCULATE

TOTAL INCOME	\$
-TOTAL	\$
EXPENSES	
<b>DIFFERENCE</b>	\$

## NOTES



# 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)

Typically, all loans with less than 20% down require an additional private mortgage insurance. VA loans do not require monthly mortgage insurance.

## FLOOD INSURANCE

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





**Michelle Jacinto**

**Branch Manager**

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**DirectMortgageLoans**<sup>®</sup>



Eligibility and approval is subject to completion of an application and verification of home ownership, occupancy, title, income, employment, credit, home value, collateral and underwriting requirements. Direct Mortgage Loans, LLC is licensed in Illinois and Indiana. Direct Mortgage Loans, LLC NMLS ID# is 832799 ([www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)). Direct Mortgage Loans, LLC office is located at 8227 Wicker Avenue, Saint John, IN 46373.

