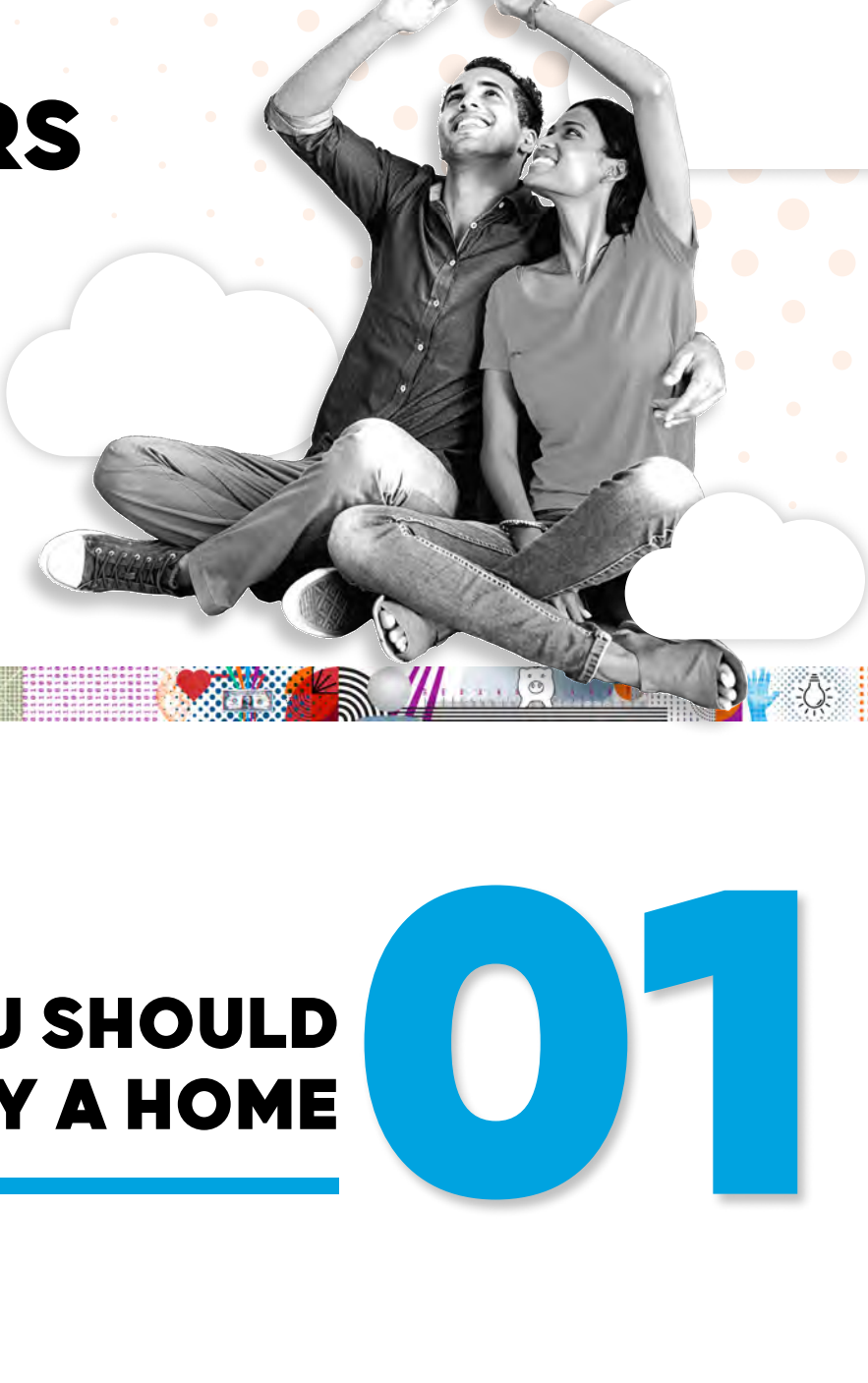


A GUIDE FOR FIRST-TIME HOMEBUYERS



WHY YOU SHOULD BUY A HOME

01

5 ADVANTAGES OF BECOMING A HOMEOWNER

Becoming a homeowner is a big responsibility. How do you determine if the time is right? Let's take a closer look at the **benefits of homeownership**.



Ready to take the next steps in the home buying process? Great! Let's move on.

02

PREPARING FOR THE LOAN PROCESS

CREDIT BUREAUS

While there is no easy fix, if your credit score isn't high enough, the bureaus offer potential ways you can increase your score.

EQUIFAX® EXPERIAN® TRANSUNION®

REVIEW YOUR CREDIT SCORE AND HISTORY

If your score isn't as high as you - or potential lenders - would like, it's never too late to start improving! The bureaus offer ways to increase your credit score quickly and easily.

BE PREPARED

Have these **documents** ready to keep things moving **quickly** throughout the home buying process.

Information about other property or businesses you own

Year-to-date financial statements (if you're self-employed)

Your previous month's pay stubs

Two years of tax returns and W-2s

Explanations for bank deposits or withdrawals above \$1,000

DEVELOP A REALISTIC BUDGET

03

HOW MUCH HOME CAN YOU REALISTICALLY AFFORD?

This is where it pays to take the long view: determine how much you can afford in a **down payment**, a new **monthly mortgage payment** and any **home improvements** you have planned.

YOUR MONTHLY INCOME



04

UNDERSTAND YOUR OPTIONS

WHAT TO LOOK FOR IN A MORTGAGE LOAN OFFICER

Your mortgage loan officer should be...

A knowledgeable guide

A good loan officer will answer any questions you may have to make the home buying process quicker and easier.

Easily accessible and communicative

A trusted loan officer should be there to help, whenever or however you need them.

Recommended by other homebuyers

Looking at reviews will give you a better idea of how they'll assist your needs and wants when it comes to buying a home.

CONVENTIONAL FIXED-RATE

- 620 minimum score
- Loan amounts up to \$647,200
- 97% maximum Loan-To-Value (LTV)
- 43% maximum debt ratio typical

FHA

- 620 minimum score
- Loan amounts vary by county
- 96.5% maximum LTV
- 50% maximum debt ratio typical

KNOW THE AVAILABLE LOAN OPTIONS - AND WHAT WORKS BEST FOR YOU

NON-QUALIFIED MORTGAGES

- 640 minimum score
- Loan amounts up to \$3,000,000
- 90% maximum LTV
- Alternate documentation allowed for income

VA*

- 620 minimum score
- Loan amounts vary by county
- 100% maximum LTV
- 50%+ debt ratio allowed with automated approval

JUMBO

- 680 minimum scores
- Loan amounts up to \$3,000,000
- 90% maximum LTV
- No mortgage insurance needed for loans over 80% LTV

SHOULD YOU GET PRE-QUALIFIED OR PRE-APPROVED?

The **easiest** way to increase your odds of a successful home search is to get pre-qualified or pre-approved, but first, let's learn the difference:

Pre-Qualification

Gives a loan amount estimate

Requires income information

Can be done online or over the phone

Helps you narrow down your options

LENDERS TAKE THE INFO AND DETERMINE HOW MUCH HOME YOU CAN AFFORD

Pre-Approval

Gives you the exact loan amount

Requires you to submit documentation

Gives an edge when there's multiple bidders

May take a couple of weeks

HOW TO FIND YOUR DREAM HOME

05

WORK WITH A REAL ESTATE EXPERT...AND FIND THE HOME YOU WANT

WHY YOU SHOULD HIRE A REALTOR®

They can make the entire process **simpler and less intimidating**. From start to close, you can count on them to help you find the perfect house and to negotiate the best terms.

HOW TO FIND A REALTOR

Go to the **Board of Realtors®** website, filter by state or region and narrow your realtor choice.

PREPARING FOR THE HOME BUYING PROCESS

You need to maintain as much **schedule flexibility** as possible. When a home hits the market, your quick response may make the critical difference when, or if, others are bidding against you.

HOW TO KNOW YOU'VE FOUND "THE ONE."

Go to showings and/or open houses

Take Notes

Drive/walk around the neighborhoods

Take Notes

Talk to your potential future neighbors

Take Notes

06

PICKED A HOME... NOW WHAT?

MAKE YOUR OFFER

Once again, here's where real estate agents earn their keep! Working with your agent can help make your offer **official, well-tailored** and **attractive** to the borrower.

Determine offer amount

Put together the offer letter

Begin negotiations

LOCK IN YOUR MORTGAGE RATE

Once your offer has been accepted, you can start a **mortgage application**, and - not to brag - our online application makes it pretty easy.

01

Apply for a loan with the exact amount of \$\$\$ you'll need to purchase the home.

02

Upload documents simply to the lender's website.

03

The app can import financial data from your bank, wherever you are.

04

Best of all, when the process is done, the answer is virtually immediate.

PATH TO CLOSING

After submitting your **earnest money**, you can begin your path to closing, and the keys to your new home!

Hire an expert for a home inspection and appraisal

Shop for homeowners and title insurance

Pay closing costs and sign the final documents



TIME TO TAKE THE FIRST STEP TOWARDS YOUR DREAM HOME!

FIRST INTERNET BANK

IMAGINE MORE:

If you've gotten this far, it's apparent that A LOT goes into your home buying process. But, when you've found that dream home, and it's time to make it yours, you can count on your **First Internet Bank Mortgage Loan Officer** to be with you every step of the way from application to closing.

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