

HOME LOANS 101

A GUIDE FOR HOME BUYING

The logo for Rockway Mortgage Co Inc features the company name in a serif font, with 'Rockway' on the top line, 'Mortgage' in a larger font on the second line, and 'Co Inc' in a smaller font on the third line. The text is centered within a green circular outline that is partially open at the top and bottom.

Rockway
Mortgage
Co Inc

CLIENT FOR LIFE

AT ROCKWAY, THE RELATIONSHIPS WE CREATE WITH OUR CLIENTS DOES NOT END AT CLOSING- IT LASTS A LIFETIME. WE STRIVE TO PROVIDE YOU THE BEST POSSIBLE EDUCATION, EXPERIENCE AND CUSTOMER SERVICE ACROSS THE BOARD. OUR HOPE IS TO NOT ONLY INCREASE CLIENT RETENTION, BUT ALSO GAIN NEW REFERRALS BASED ON PAST CLIENT ENCOUNTERS. YOU CAN EXPECT TO HEAR FROM US 12-14 DAYS, 30 DAYS, AND 6 MONTHS POST CLOSE. AFTER YOUR FIRST YEAR- WE WILL REACH OUT ANNUALLY TO CHECK IN. WE ARE ALWAYS AVAILABLE TO ANSWER QUESTIONS ANYTIME IN BETWEEN.

PRE-APPROVAL:

- GOOD FOR 60 DAYS
- REVIEW APP
- RUN SOFT CREDIT
- HOUSING BUDGET & TIMELINE ESTABLISHED

HOME SHOPPING:

- OFFER ACCEPTED
- FULLY EXECUTED PURCHASE CONTRACT

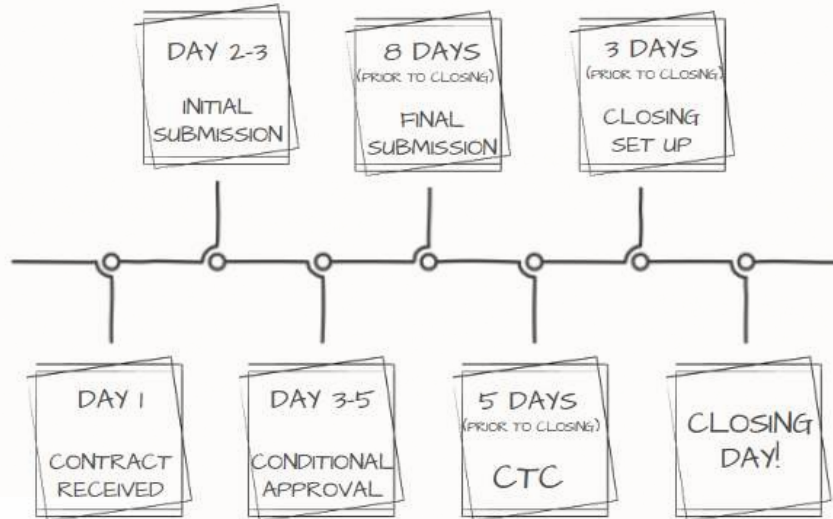
INITIAL SUBMISSION:

- REVIEW LOAN ESTIMATE
- SIGN INITIAL DISCLOSURE
- SUBMITTED TO UNDERWRITING
- TURN TIME IS 1-4 DAYS FOR INITIAL APPROVAL
- CLIENT GETS HOME OWNERS INSURANCE QUOTE

POST CLOSING:

- SET UP PAYMENTS
- LEAVE ROCKWAY A GOOGLE REVIEW

LOAN TIMELINE



APPRAISAL ORDERED:

- PAY FOR ASAP
- TAKES 7-10 DAYS (SLOWEST STEP)

CONDITIONAL APPROVAL:

- FULFILL CONDITIONS FOR LOAN TO MOVE TO FINAL APPROVAL
- PROVIDE NECESSARY PAPERWORK FOR PROCESSING IN TIMELY MANNER

CLOSING:

- TITLE SENDS WIRING INSTRUCTIONS AND AMOUNT TO BE WIRED
- BRING 2 FORMS OF ID TO CLOSING
- SIGN FINAL PAPERWORK
- PRINT AND SEND CLOSING PACKAGES
- ONCE PAPERWORK IS FILED, YOUR REAL ESTATE AGENT WILL HAND YOU THE KEYS

FINAL APPROVAL: (CLEAR TO CLOSE)

- ALL CONDITIONS HAVE BEEN MET
- INITIAL CLOSING DISCLOSURE MUST BE SIGNED
- THERE IS A 3 DAY WAITING PERIOD BEFORE CLOSING
- PROCESSING NOTIFIES ALL PARTIES THAT LOAN IS CLEAR TO CLOSE
- REVIEW FINAL NUMBERS, AND BALANCE FEES WITH TITLE
- OUR CLOSER WILL WORK WITH TITLE TO SCHEDULE THE CLOSING

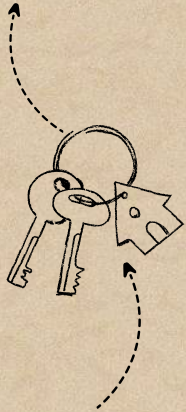


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2. INITIAL SUBMISSION
3. ORDER APPRAISAL
4. HOMEOWNERS INSURANCE QUOTE
5. FULFILL ALL CONDITIONS
6. FINAL APPROVAL (CLEAR TO CLOSE)

CLOSING:

1. FINALIZE CLOSING PACKAGE
2. SIGN CLOSING PAPERS
3. GET KEYS

POST CLOSING:

1. SET UP PAYMENTS
2. LEAVE A 5 STAR REVIEW FOR ROCKWAY MORTGAGE



PRE-APPROVAL

ONCE YOU'VE COMPLETED THE APPLICATION, WE'LL SCHEDULE A CONSULTATION TAILORED TO YOUR SPECIFIC HOUSING NEEDS AND FINANCIAL SITUATION. DURING THIS CONSULTATION, WE'LL WORK CLOSELY WITH YOU TO UNDERSTAND YOUR UNIQUE REQUIREMENTS, ASSESS YOUR BUDGETARY CONSTRAINTS, AND REVIEW YOUR FINANCIAL PROFILE THOROUGHLY.



STEPS:

1. FILL OUT APPLICATION
2. LOAN ADVISOR REVIEWS & VERIFIES EMPLOYMENT, INCOME, CREDIT & ASSETS
3. QUALIFYING AMOUNT DETERMINED & LOAN PROGRAM SELECTED BASED ON FINANCIAL PROFILE
4. SAMPLE LOAN ESTIMATE VIDEO SENT TO CLIENT
5. PURCHASE CONSULTATION
6. ANSWER ANY QUESTIONS OR CONCERNS

HOME BUYING MISTAKES:

1. OPENING LINES OF CREDIT AFTER PRE-APPROVAL
2. QUITTING YOUR JOB
3. LARGE CASH DEPOSITS WITHOUT CHECKING WITH LOAN ADVISOR
4. CO-SIGNING ON LOANS
5. INCREASING CREDIT CARD UTILIZATION
6. DEPLETING SAVINGS

DOCUMENTS YOU NEED TO PREPARE

W2 EMPLOYEES:

- PHOTO ID
- 2 YEARS OF W2
- 30 DAYS PAY-STUBS
- 2 MONTHS BANK STATEMENTS

SELF EMPLOYED:

- PHOTO ID
- TWO YEARS BUSINESS TAX RETURNS, ALL SCHEDULES
- TWO YEARS PERSONAL TAX RETURNS, ALL SCHEDULES
- IF 1099- TWO YEARS OF 1099'S
- 2 MONTHS BANK STATEMENTS- ALL PAGES (NO SCREEN SHOTS)
- OPERATING AGREEMENTS
- PROFIT & LOSS STATEMENTS
- ACCOUNTANT LETTER

MISC. DOCUMENTS:

- SSA LETTERS
- DIVORCE DECREE
- CHILD SUPPORT ORDERS
- TAX RETURN PAYMENT PLANS
- JUDGEMENTS
- MORTGAGE STATEMENTS, TAX BILLS, INSURANCE FOR ALL OWNED REAL ESTATE.

SHOPPING FOR YOUR HOME

6 STEPS



1. WORK WITH AN AGENT TO VIEW PROPERTIES,
PUT IN OFFERS.

2. NEGOTIATE TERMS

3. SCHEDULE INSPECTION, IF APPLICABLE

4. RECEIVE INITIAL DISCLOSURE FROM LENDER

5. DEPOSIT EARNEST MONEY WITH TITLE

6. SIGN INITIAL DISCLOSURES WITH LENDER

NEGOTIATING STRATEGIES

- APPRAISAL GAP: AGREEING TO COVER THE GAP BETWEEN THE APPRAISAL AND THE SALES PRICE, IF THE APPRAISAL COMES IN BELOW THE SALES PRICE
- ESCALATION CLAUSE: BUYER IS WILLING TO RAISE THEIR OFFER IN CERTAIN INCREMENTS IF THE SELLER RECEIVES A HIGHER COMPETING OFFER
- WAIVE INSPECTIONS: CHOOSING TO BUY THE HOME AS IS WITHOUT THE CONTINGENCY OF AN INSPECTION
- OVER ASKING: BID OVER ASKING PRICE
- SELLER CONCESSIONS: ASK FOR THE SELLER TO PAY CLOSING COST
- QUICK CLOSE: USE OUR 20 DAY CLOSE TO STAND APART FROM THE COMPETITION

A
N
D



UNDER CONTRACT

PROCESSING STEPS

YOUR LOAN PROCESS STARTS ONCE YOU SIGN THE INITIAL DISCLOSURES.

THE PROCESSORS JOB IS TO GET YOUR LOAN TO THE FINISH LINE. FOR THE QUICKEST RESPONSE, PLEASE MAKE SURE YOU ARE DIRECTING ALL QUESTIONS RELATED TO YOUR DOCUMENTS, CONDITIONS, HOI, APPRAISAL, TITLE, ETC. TO OUR PROCESSING DEPARTMENT.

TO DO:

- ORDER & PAY FOR APPRAISAL
- SUBMIT REQUESTED DOCS
- SEND ALL CONDITIONS & DOCUMENTS TO PROCESSOR
- HOMEOWNERS INSURANCE

INITIAL SUBMISSION:

SUBMITTING THE APPLICATION TO UNDERWRITING

CONDITIONAL APPROVAL:

APPROVED AS LONG AS WE FULFILL CONDITIONS

FINAL SUBMISSION:

SUBMIT ALL REQUESTED CONDITIONS

CLEAR TO CLOSE:

LOAN APPROVED AND READY TO CLOSE

PROCESSING IS THE MOST TIMELY STEP IN THE LOAN PROCESS. EXPECT YOUR LOAN TO BE PROCESSING FOR 7-10 DAYS. THIS TIMELINE CAN CHANGE BASED ON HOW QUICKLY YOU RESPOND TO OUR NEEDS, AS WELL AS THE CONDITIONS YOU MAY NEED TO FULFILL. HELP US, HELP YOU!

PHONE: 216.232.2900

INFO@ROCKWAYMORTGAGE.COM

CLOSING

- CLOSING DISCLOSURES ARE SIGNED
- FEES ARE BALANCED AND FINALIZED WITH TITLE
- WIRING INSTRUCTIONS ARE SENT:
FUNDS MUST BE AVAILABLE BY END OF CLOSING DAY

- SCHEDULE CLOSING WITH ROCKWAY TO SIGN DOCS
- OUT OF STATE & VIRTUAL CLOSERS; WE ARE AVAILABLE TO FACETIME/ ZOOM, ETC. AT CLIENTS REQUEST.

- FOLLOW US ON INSTAGRAM SO WE CAN TAG YOU IN YOUR CLOSING REEL, @ROCKWAYMORTGAGE
- AGENT WILL RELEASE KEYS

EXPECTATIONS:

- BE PREPARED TO WIRE MONEY
- BRING 2 FORMS OF ID TO CLOSING
- OUR CLOSER WILL CALL YOU TO CONFIRM THE SCHEDULING DATE, REVIEW YOUR FEES & CLOSING COSTS'
- YOUR TITLE COMPANY CAN ANSWER ANY QUESTIONS ABOUT THE TITLE FEES
- BE PREPARED TO SIGN YOUR FINAL DOCS
- CLOSING TAKES BETWEEN 30- 60 MINUTES

POST CLOSING:



- RECOMMEND US TO FAMILY & FRIENDS
- SHARE YOUR CLOSING VIDEO AND PICTURES
- LEAVE A 5 STAR GOOGLE REVIEW FOR ROCKWAY MORTGAGE
- YOU WILL RECEIVE AN EMAIL 1-2 WEEKS POST CLOSE, ON HOW TO SET UP YOUR PAYMENTS
- EXPECT A CALL FROM ROCKWAY 12-14 DAYS, 30 DAYS, 6 MONTHS POST CLOSE, AND ANNUALLY. WE WILL BE AVAILABLE TO ASSIST YOU AT ANY TIME IN BETWEEN.



WHO DO I CONTACT?

LOAN ADVISOR:

YOUR LOAN ADVISOR CAN ANSWER ANY QUESTIONS REGARDING THE FOLLOWING:

- PRE-APPROVAL
- CLOSING COSTS
- POINTS
- INTEREST RATES
- PAYMENT INFO
- REFINANCING

PROCESSOR:

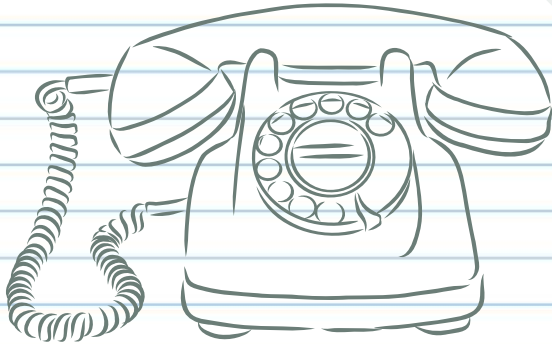
THE PROCESSOR CAN ANSWER ANY QUESTIONS REGARDING THE FOLLOWING:

- DOCUMENTATION
- CONDITIONS
- APPRAISAL
- HOMEOWNERS INSURANCE
- TITLE

CLOSER:

THE CLOSER CAN ANSWER ANY QUESTIONS REGARDING THE FOLLOWING:

- FINAL FEES
- CLOSING COSTS
- SCHEDULING



PHONE: 216.232.2900

EMAIL: [INFO@ROCKWAYMORTGAGE.COM](mailto:info@rockwaymortgage.com)

ASK US ABOUT OUR PREFERRED VENDORS!

MORTGAGE TERMINOLOGY



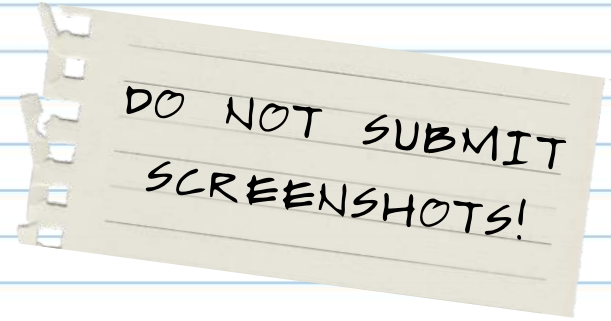
TERM

DEFINITION

BPMI	BORROWER PAID MORTGAGE INSURANCE
DTI	DEBT TO INCOME RATIO; YOUR MONTHLY DEBTS + HOUSING EXPENSE DIVIDED BY GROSS MONTHLY INCOME
LTV	LOAN TO VALUE; AMOUNT BORROWED VS. THE APPRAISED VALUE OF THE PROPERTY
EARNEST MONEY	DEPOSIT MADE IN GOOD FAITH, APPLIED TOWARD DOWN PAYMENT
MI	MORTGAGE INSURANCE
PITI	PRINCIPAL, INTEREST, TAXES, INSURANCE= MORTGAGE PAYMENT
POINTS	BUYING DOWN THE RATE, EX: 1% OF LOAN AMOUNT IS 1 POINT
PRE-APPROVAL	APPLICATION, INCOME, AND CREDIT VERIFIED
INITIAL APPROVAL	INCOME, ASSETS AND EMPLOYMENT VERIFIED
FINAL APPROVAL	CONDITIONS FROM UNDERWRITING HAVE BEEN FULFILLED AND ACCEPTED
CTC (CLEAR TO CLOSE)	ALL DOCUMENTS AND CONDITIONS HAVE BEEN APPROVED, CLOSING CAN BE SCHEDULED
CD	CLOSING DISCLOSURE- PROVIDES FINAL DETAILS ABOUT THE MORTGAGE LOAN YOU SELECTED
APR	ANNUAL PERCENTAGE RATE
APPRAISAL	DETERMINES THE VALUE OF THE HOME- THIS IS PERFORMED FOR THE LENDER
INSPECTION	DETERMINES THE PHYSICAL CONDITION OF THE HOME- THIS IS PERFORMED FOR THE BUYER
LE	LOAN ESTIMATE

BEST PRACTICES

- DON'T SUBMIT SCREENSHOTS
- DON'T OPEN NEW CREDIT
- DOCUMENT GIFT FUNDS
- DON'T QUIT YOUR JOB
- IF YOU ARE CHANGING JOBS- GIVE US A HEADS UP
- CANNOT REDACT ANYTHING FROM DOCUMENTS
- BANK STATEMENTS MUST HAVE NAME AND A VISIBLE ACCOUNT NUMBER ON THEM.
INCLUDE ALL PAGES!
- MAKE SURE WE CAN SOURCE ALL CASH DEPOSITS THAT ARE OVER 1% OF THE
PURCHASE PRICE OF THE HOME



FAQ

1. HOW LONG DOES FINANCING TAKE?

GENERALLY 30 DAYS

2. HOW MUCH WILL MY MORTGAGE BE?

SEND YOUR LOAN ADVISOR THE ADDRESS FOR ESTIMATED PAYMENT INFO

3. WHAT IF THE HOME DOESN'T APPRAISE?

YOU CAN TRY TO RENEGOTIATE, CHALLENGE THE APPRAISAL, OR PAY THE DIFFERENCE OF SALE AND APPRAISAL IN CASH

4. WHAT IS THE DIFFERENCE BETWEEN THE APPRAISAL AND THE INSPECTION?

THE INSPECTION IS FOR THE HOME OWNER, TO VERIFY THE HOME IS IN GOOD WORKING ORDER.
THE APPRAISAL IS FOR THE LENDER, TO DETERMINE THE HOME VALUE & IS REQUIRED FOR FINANCING.

5. CAN I TAKE OUT A HIGHER LOAN THAN THE COST OF THE HOUSE?

NO, THE LOAN WILL ONLY COVER WHAT THE HOUSE APPRAISES FOR OR THE SALES PRICE WHICHEVER IS LESS.

FAQ

6. HOW MUCH MONEY DO I NEED TO BRING TO CLOSING?

ESTIMATE 3% OF THE PURCHASE PRICE; YOUR LOAN ADVISOR WILL WORK WITH YOU TO GET AN ESTIMATED CASH TO CLOSE.

7. HOW DO I KNOW MY LOAN WILL GET PRE-APPROVED FOR A MORTGAGE?

WE DO A VERY IN DEPTH LOOK AT YOUR FINANCIAL PROFILE UPON ISSUING A PRE-APPROVAL.

8. CAN I ROLL CLOSING COSTS INTO MY LOAN?

YOU CAN ONLY ROLL THE CLOSING COSTS INTO A REFINANCE. HOWEVER, YOU CAN ASK FOR SELLER CONCESSIONS, WHICH WILL HELP PAY FOR SOME OF THE CLOSING COSTS.

9. WHAT IS DEBT-TO-INCOME RATIO?

COMPARES YOUR GROSS MONTHLY INCOME WITH HOW MUCH YOU OWE EACH MONTH. DIVIDE YOUR MONTHLY EXPENSES BY YOUR GROSS MONTHLY INCOME.

10. WHAT ARE THE CURRENT MORTGAGE RATES?

RATES ARE ALWAYS CHANGING, IT IS A GOOD IDEA TO GET PREQUALIFIED FOR A MORTGAGE AND LOCK IN THE RATE YOU WANT SO YOU ARE NOT IMPACTED IF THEY GO UP. THERE ARE FEES ASSOCIATED WITH RATE LOCKS AND THEY ARE GENERALLY GOOD FOR UP TO 90 DAYS.



REDUCE
REUSE
RECYCLE

Bring this book with you to your closing!
OR... REFER US TO FAMILY AND
FRIENDS, AND PASS IT ON!

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ROCKY RIVER, OH 44116

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