

My FirstHomeSM

Three important steps you may complete when buying a home

Prequalification

Getting a prequalification typically requires completing relatively simple paperwork asking you about:

- The approximate price you would be willing to pay for a home
- Your annual or monthly income
- The amount of your down payment
- Your total monthly debt
- The city and state where the property is located
- Your approximate credit score

Home purchase agreement

Your real estate agent will help you complete this document, which comes after you've made an offer on a home and you and the seller have agreed on the price and other terms of purchase. This contract varies from state to state to make sure it complies with local regulations. It will outline:

- The purchase price
- Any declarations from the seller about the condition of the property or known issues with the home
- How you will need to pay for closing costs
- A legal description of the property, including boundaries
- How much earnest money you're placing (also known as your good-faith deposit)

Mortgage application

Most lenders use the Uniform Residential Loan Application. This is more in depth than the prequalification application; a home mortgage consultant can help you complete it. Here are a few of the things it will ask you about:

- What type of mortgage you're applying for
- Your base employment income, as well as bonuses and other additional income
- The length of the mortgage
- Your assets and liabilities, including life insurance and investments you own
- Whether it will be a fixed or adjustable interest rate
- The purchase price of the home
- Information about your employer