



# ***Home-Buying Process***

## ***Loan Application Process***

# ***Home-Buying Process: Loan Application Process***

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Ivan Hernandez

When you begin the loan application process the first thing you will do is meet with the loan officer for an initial interview. During this interview you can expect to fill out a loan application. This is the time to voice your concerns, ask questions and learn about loan options.

Prepare for this session by bringing in a list of questions you may have regarding your loan and all the documents and information needed to fill out the loan application.

## **Information Borrower Provides**

The following are common items the loan officer will need to complete the application. Because this is a general list, the loan officer may request additional information depending on the selected loan program.

- Purchase contract for the house
- Personal Identification
  - Driver's license
  - Social Security card
  - Certificate of eligibility (VA Loan)
- Present and former addresses (last two years)
  - Whether you rented or owned
  - Year and months at each address
- Most recent bank account statements
  - Checking
  - Savings

- Employment Information
  - Pay stubs
  - Names and addresses of employers (last two years)
- Additional forms of income verification
  - Part-time jobs
  - Overtime
  - Bonuses
  - Commissions
  - Rental income
  - Child support
  - Social Security
  - Pensions
  - Disability
- Income tax returns for the last two or three years
- List of current liabilities (debts) and balances owed
- Information about assets
  - Stocks
  - Bonds
  - Certificates of deposit
  - Vehicles (Year, Make, Model)

## **The Application**

Most financial institutions use a standard

loan application, the Uniform Residential Loan Application, also called the 1003 Application. Your loan officer can fill out a copy of this application by hand or on the computer during the loan interview. See the sample Loan Application.

### **Information Lenders Provide**

Once the loan application has been completed federal law requires the financial institution to comply with the Real Estate Settlement Procedures Act (RESPA). Enacted in 1974, RESPA protects consumers from abuses by lending institutions. It mandates lenders to fully disclose an estimate of all closing costs, lender servicing, escrow account practices and business relationships between closing service providers and other parties to the transaction. This act requires financial institutions to provide the above documents within three days of processing the loan application.

### **Good Faith Estimate**

The good faith estimate is a required document in which the lender outlines the costs the applicant is responsible for at closing. Federal law requires lenders to issue the Good Faith Estimate within 48 hours of the time you apply for the loan. Some lenders may purposely under quote the cost on this document. Although not illegal, this tactic is used to encourage the buyer to take the loan. This is why it is important to research the institution before committing to a loan product.

Some of the closing costs you will see in your Good Faith Estimate include:

- **Appraisal** – Having an independent appraiser determine the market value of a house.
  - Most lending institutions require an appraisal before establishing a new loan. The buyer frequently pays for the appraisal.
  - VA or FHA appraisals are required for VA or FHA mortgage loans.
- **Loan Application Origination or Processing Fee** – This charge covers the expenses of preparing

mortgage documents, legal service, borrower credit investigation, notary charges, appraisal fee and any other fees. These expenses are sometimes itemized. When FHA or VA financing is obtained, the origination fee is limited to 1 percent of the mortgage. Other expenses will be added to this fee.

- **Title Examination or Search and Title Insurance** – Title Insurance is usually paid by the seller because he or she guarantees the title to be good. The buyer usually pays for the mortgagee title policy. This protects the lender against unrecorded title defects.
- **Abstract of Title** – Another method by which evidence of a clear and marketable title can be shown is a summary of all recorded documents affecting a particular piece of real property.
- **Survey** – The survey determines the precise legal boundary lines of a property, location of improvements, easements, right of ways, encroachments and other physical features. Sometimes, the seller may incur this expense if he or she is requested to do so.
- **Deed Recording Fee** – The county clerk's office charges this fee to legally record your deed.
- **Attorney's Fee** – This fee is charged by the attorney for legal advice during the various stages of buying.
- **Unpaid Special Assessments** – Any assessment for streets, sidewalks, sewers, etc. that are levied or pending against the property before closing usually must be paid if mortgage financing is obtained. If the buyer obtains FHA or VA financing, the seller is required to pay these assessments. However, when the buyer assumes the seller's mortgage or obtains conventional financing, the buyer and seller may negotiate these payments. These can vary greatly.
- **(Discount) Points** – A point is 1 percent of the mortgage value. Thus, the borrower who must pay one point on a \$90,000 mortgage would pay

\$900. Points are interest paid up front. They can be used as a fee to cover the costs of originating a loan and as a way to buy down the interest rate of a mortgage loan. Points can be negotiable depending on the loan product.

- **Prepaid Property Taxes** – At the time of closing, the lender will often require the buyer to deposit one to six months’ property taxes in an escrow account.

Although some of the costs vary at closing the variation should not be extreme. A few days before closing the loan officer will provide a settlement statement, also known as a HUD-1 form, which is an itemized list of all expenses incurred by the buyer during the house purchase. More information on the settlement statement is in The Closing section. The information on the settlement statement should be comparable to the Good Faith Estimate.

If you get to the closing of your loan and your Good Faith Estimate does not reasonably match the fees listed, ask questions. If you do not feel comfortable or satisfied with how your questions are answered, it may be best to walk away and close at a later date.

### Truth In Lending

The Truth In Lending document requires lenders to fully disclose to the consumer all the terms and conditions of the loan. Some of the terms required to be disclosed include:

- **Rate of Interest** – This is the largest single determinant of the cost of your loan. There may be variances of ¼ percent or more in some areas. Such a small percentage seems insignificant, but over the term of the loan (which could be up to 30 years) it can amount to a sizable sum of money. Do not be misled. A lender could promise a lower-than-market interest rate because the difference may be made up through other financing charges.
- **Annual Percentage Rate (APR)** – The APR is the cost of your loan expressed as a yearly percentage rate, such as 6 percent or 8 percent. In the Truth

In Lending disclosure you will notice the APR may differ from what your loan officer disclosed to you. This is because the APR includes all fees and costs associated with the loan. It is normal to see a slight difference between the interest rate and the APR because of the normal costs of the loan. Some lenders may take advantage of people by offering a competitive interest rate and adding extra fees after the normal costs of a loan. This increases the disclosed APR of the loan. If the APR is extremely different from the original quoted interest rate, do not be afraid to question this.

6.0 % Loan Results				
Principal	Payment	APR	Total Interest	Total Loan Value
\$100,000.00	\$599.5	6.0000%	\$115,838.00	\$215,838.00
6.25 % Loan Results				
Principal	Payment	APR	Total Interest	Total Loan Value
\$100,000.00	\$615.72	6.2500%	\$121,659.20	\$221,659.20
Total Difference: \$5,821.20				

- **Points** – A point is interest paid upfront and is equal to 1 percent of the loan balance paid to the lender for processing your loan. It is common to pay one to two points on a loan, however, if it is unregulated by your state, some lenders can charge an excessive amount of points. On a \$90,000 loan, one point will equal \$900, two points will equal \$1,800, and so on. Points are a one-time charge and are paid at closing.
- **Finance Charge** – The finance charge is the total dollar amount the loan will cost. Like the APR, this includes all fees and costs associated with the loan.
- **Schedule of Payments** – This document will tell you the exact date of your first and last payment. It also will state when the payment is considered late. Additionally, it states the number of monthly payments you will be making throughout the life of the loan (Ex: 180 or 360 payments).
- **Penalty for Late Payment** – Many lenders offer a grace period of about 10 days after the payment

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due date, before a late fee is charged. The amount of the late fee varies with the lender; however, 2 to 5 percent of the monthly payment is a common penalty. FHA and VA loan late charges are 4 percent of the monthly payment.

- **Prepayment Penalties** – Some mortgages include a fee if the loan is paid off early. Although this type of penalty is not as customary in special, government-insured or conventional loans, it may be more common with companies that do sub-prime lending. This is an important fee to consider. If interest rates fall a few years after you close on your mortgage loan and you want to take advantage of a lower rate by refinancing, it could cost you several thousand dollars. This could make it financially impractical to refinance your current home loan.
- **Application and Origination Fees** – Other fees during the loan application process include lenders fees to administer the loan, also referred to as origination fees or application fees. To protect yourself, look into all of these fees before you agree to them. Also, compare these fees line by line from one lending institution to another. By law, the lender must disclose all fees on the Good Faith Estimate. Other things you may encounter during the loan application process are listed below.
- **Lock-ins** – During the application process your loan officer may ask if you want to lock in. A lock-in allows the borrower to guarantee that the interest rate will not change (increase or decrease) before the loan closes. Many financial institutions have different options when you lock in your rate. Some may allow you to float the rate, while others may require that you lock in at the time you submit the application. By floating the rate, you will be allowed to lock in at any time during the application process. Another option is to float your rate and points. Because the market is constantly changing you never know when the rate and points may go up or down. Once you make the decision to lock in your rate and points it is extremely important that you get it in writing.

This will guarantee that the rate quoted is exactly what you are going to receive.

- **Escrow Account Operation and Disclosures** – This disclosure requires lenders to inform the consumer whether they require an escrow account to pay property taxes and insurance. If it is required, this document will disclose the specific amounts to be collected and when they are to be paid.
- **Servicing Disclosure Statement** – Lenders usually do not service their own loans, but instead sell them on the secondary mortgage market. Lenders are required to give the buyer written notification as to whether they anticipate servicing the loan themselves or whether someone else will be servicing the loan. This disclosure is usually given within the first three days of the loan application.
- **“Buying Your Home” Booklet** – The loan officer will give you this booklet within three days of processing your application. This booklet can serve as a pocket guide to assist you in the home-buying process. It provides unbiased information on topics such as how to choose the best mortgage and advice on how to negotiate during the home-buying process. This booklet also is available at the HUD Web site: <http://www.hud.gov/offices/hsg/sfh/res/stcosts.pdf>.

The loan application process may seem like a long process but be patient. All of this information is necessary for the financial institution to make a decision. In addition to the documents listed in this section, each financial institution may give you additional papers to sign. If you do not understand these or have questions, ask the loan officer to explain. The loan officer is there to help you. It is important to keep in mind that when additional documentation is requested, you need to complete these tasks as quickly as possible. Many times a loan officer cannot continue your loan application without these items and failure to bring these items in a timely manner may delay your loan application.

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## Application Checklist

Name: \_\_\_\_\_ Co signer: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Years and months at address: \_\_\_\_\_ Yrs. \_\_\_\_\_ Mo. Rent or Owned: \_\_\_\_\_

Landlord information: \_\_\_\_\_

Previous Address (*If less than 2 years*): \_\_\_\_\_

Years and months at address: \_\_\_\_\_ Yrs. \_\_\_\_\_ Mo. Rent or Owned: \_\_\_\_\_

Landlord information: \_\_\_\_\_

- \_\_\_\_\_ Purchase contract for the house
- \_\_\_\_\_ Drivers license
- \_\_\_\_\_ Social security card
- \_\_\_\_\_ Certificate of eligibility (VA Loan)
- \_\_\_\_\_ List of Names and Ages of dependents

### ***Employment Information: (last two years)***

- \_\_\_\_\_ Pay stubs
- \_\_\_\_\_ Yrs. at Job
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Phone: \_\_\_\_\_

### ***Employment Information (last two years)***

- \_\_\_\_\_ Pay stubs
- \_\_\_\_\_ Yrs. at Job
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Phone: \_\_\_\_\_

### **Most recent bank account statements**

- \_\_\_\_\_ Checking
- \_\_\_\_\_ Savings
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Phone: \_\_\_\_\_

### **Additional forms of income verification**

- \_\_\_\_\_ Part time jobs
- \_\_\_\_\_ Rental Income
- \_\_\_\_\_ Overtime
- \_\_\_\_\_ Bonuses
- \_\_\_\_\_ Bonuses
- \_\_\_\_\_ Commissions
- \_\_\_\_\_ Child support
- \_\_\_\_\_ Social Security
- \_\_\_\_\_ Pensions
- \_\_\_\_\_ Disability

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## Application Checklist (Cont.)

### *Employment Information* (last two years)

\_\_\_\_\_ Pay stubs

\_\_\_\_\_ Yrs. at Job

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

### **Income tax returns** (last 2 years)

\_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_ 20\_\_\_\_

### **Liabilities:**

\_\_\_\_\_ List of current liabilities (debts) and  
balances owed

### **Information about assets**

\_\_\_\_\_ Stocks

\_\_\_\_\_ Bonds

\_\_\_\_\_ CD's

\_\_\_\_\_ Jewelry

\_\_\_\_\_ Vehicles

Year\_\_\_\_\_ Make:\_\_\_\_\_ Model:\_\_\_\_\_

Year\_\_\_\_\_ Make:\_\_\_\_\_ Model:\_\_\_\_\_

Year\_\_\_\_\_ Make:\_\_\_\_\_ Model:\_\_\_\_\_

## Good Faith Estimate

Applicants: **Joe Borrower / Jane Borrower**  
 Property Addr: **123 Any Street, Las Cruces, NM 88001**  
 Prepared By: **AccessBank Ph. 505-524-7748**  
**227 E. Amador, Las Cruces, NM 88004**

Application No: **sample**  
 Date Prepared: **07/20/2004**  
 Loan Program: **FHA 30 yr fixed rate MFA**

The information provided below reflects estimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates-actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers listed beside the estimates generally correspond to the numbered lines contained in the HUD-1 settlement statement which you will be receiving at settlement. The HUD-1 settlement statement will show you the actual cost for items paid at settlement.

Total Loan Amount \$ **93,380** Interest Rate: **5.840 %** Term: **360 / 360 mths**

800 ITEMS PAYABLE IN CONNECTION WITH LOAN:					
801	Loan Origination Fee	1.000%	\$	920.00	PFC F
802	Loan Discount	1.000%		933.80	PFC S
803	Appraisal Fee			480.00	S F
804	Credit Report			22.00	F
805	Lender's Inspection Fee				
808	Mortgage Broker Fee				
809	Tax Related Service Fee			64.00	PFC S
810	Processing Fee				S
811	Underwriting Fee			125.00	PFC S
812	Wire Transfer Fee				
	<b>Doc Prep Fee</b>			<b>150.00</b>	<b>PFC S</b>
	<b>Flood Cert Fee</b>			<b>18.00</b>	<b>PFC F</b>
1100 TITLE CHARGES:					
1101	Closing or Escrow Fee:	<b>Buyer's Half</b>	\$	122.00	F
1105	Document Preparation Fee				
1106	Notary Fees				
1107	Attorney Fees				
1108	Title Insurance:	<b>Mortgagee Policy</b>		80.00	F
	<b>Owner's Title Policy</b>				S F
	<b>Closing/Escrow Fee Seller's Half</b>			<b>122.00</b>	<b>S F</b>
					S F
1200 GOVERNMENT RECORDING & TRANSFER CHARGES:					
1201	Recording Fees:		\$	65.00	F
1202	City/County Tax/Stamps:				
1203	State Tax/Stamps:				
1300 ADDITIONAL SETTLEMENT CHARGES:					
1302	Pest Inspection		\$	80.00	F
	<b>SURVEY</b>			<b>300.00</b>	<b>S F</b>
<i>Estimated Closing Costs</i>				<b>3,481.80</b>	
900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:					
901	Interest for	13 days @ \$	14.9408 per day	\$	194.23 PFC
902	Mortgage Insurance Premium			1,380.00	PFC
903	Hazard Insurance Premium			561.12	
904	<b>FLOOD INSURANCE PREMIUM-1 YEAR</b>				
905	VA Funding Fee				PFC
1000 RESERVES DEPOSITED WITH LENDER:					
1001	Hazard Insurance Premiums	2 months @ \$	46.76 per month	\$	93.52
1002	Mortgage Ins. Premium Reserves	2 months @ \$	38.33 per month		76.66
1003	School Tax	months @ \$	per month		
1004	Taxes and Assessment Reserves	2 months @ \$	76.04 per month		152.08
1005	Flood Insurance Reserves	months @ \$	per month		
		months @ \$	per month		
		months @ \$	per month		

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## Good Faith Estimate (cont.)

	<i>Estimated Prepaid Items/Reserves</i>	2,457.61
<b>TOTAL ESTIMATED SETTLEMENT CHARGES</b>		<b>5,939.41</b>

TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:		TOTAL ESTIMATED MONTHLY PAYMENT:	
Purchase Price/Payoff (+)	100,000.00	203k Rehabilitation Cost (+)	0.00
Loan Amount (-)	93,380.00	EEM Improvements (+)	
(Base Loan Amount + UFMP/FF)		Principal & Interest	550.29
UFMIP/FF Financed (+)	1,380.00	Other Financing (P & I)	
Est. Closing Costs (+)	3,481.80	Hazard Insurance	46.76
Est. Prepaid Items/Reserves (+)	1,077.61	Real Estate Taxes	76.04
Amount Paid by Seller (-)	2,174.80	Mortgage Insurance	38.33
Required Cash Investment (+)		Homeowner Assn. Dues	
MIP Refund (-)		Sub Financing (-)	8,000.00
		New 2nd Mtg Closing Costs (+)	
		Other	
<b>Total Est. Funds needed to close</b>	<b>2,384.61</b>	<b>Total Monthly Payment</b>	<b>711.42</b>

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). Additional information can be found in the HUD Special Information Booklet, which is to be provided to you by your mortgage broker or lender, if your application is to purchase residential real property and the lender will take a first lien on the property. The undersigned acknowledges receipt of the booklet "Settlement Costs," and if applicable the Consumer Handbook on ARM Mortgages.

Applicant **Joe Borrower** \_\_\_\_\_ Date \_\_\_\_\_ Applicant **Jane Borrower** \_\_\_\_\_ Date \_\_\_\_\_

Calyx Form gfe2.fm 11/01



## Truth in Lending Disclosure Statement (cont.)

**FILING / RECORDING FEES:** \$

**PROPERTY INSURANCE:**

Property / hazard insurance is a required condition of this loan. Borrower may purchase this insurance from any insurance company acceptable to the lender.

Hazard insurance  is  is not available through the lender at an estimated cost of \_\_\_\_\_ for a \_\_\_\_\_ month term.

**LATE CHARGES:** If your payment is more than \_\_\_\_\_ days late, you will be charged a late charge of \_\_\_\_\_ % of the overdue payment.

**PREPAYMENT:** If you prepay this loan in full or in part, you  
 may  will not have to pay a penalty.  
 may  will not be entitled to a refund of part of the finance charge.

See your contract documents for any additional information regarding non-payment, default, required repayment in full before scheduled date, and payment refunds and penalties.

**E means estimate.**

I/We hereby acknowledge reading and receiving a complete copy of this disclosure. I/We understand there is no commitment for the creditor to make this loan and there is no obligation for me/us to accept this loan upon delivery or signing of this disclosure.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

## I. TYPE OF MORTGAGE AND TERMS OF LOAN

<b>Mortgage Applied for:</b>	<input type="checkbox"/> VA <input type="checkbox"/> FHA	<input type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural Housing Service	<input type="checkbox"/> Other (explain):	Agency Case Number	Lender Case Number
Amount \$	Interest Rate %	No. of Months	<b>Amortization Type:</b>	<input type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM	<input type="checkbox"/> Other (explain): <input type="checkbox"/> ARM (type):

## II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state, & ZIP)	No. of Units
Legal Description of Subject Property (attach description if necessary)	Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Construction <input type="checkbox"/> Other (explain): <input type="checkbox"/> Refinance <input type="checkbox"/> Construction-Permanent	Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment

**Complete this line if construction or construction-permanent loan.**

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	\$	\$	\$	\$	\$

**Complete this line if this is a refinance loan.**

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made
	\$	\$		Cost: \$

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)		

## III. BORROWER INFORMATION

Borrower	Co-Borrower
Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)
Social Security Number   Home Phone (incl. area code)   DOB (MM/DD/YYYY)   Yrs. School	Social Security Number   Home Phone (incl. area code)   DOB (MM/DD/YYYY)   Yrs. School
<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)   Dependents (not listed by Co-Borrower) no.   ages	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)   Dependents (not listed by Borrower) no.   ages
Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.	Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.
Mailing Address, if different from Present Address	Mailing Address, if different from Present Address
<b>If residing at present address for less than two years, complete the following:</b>	
Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.	Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.

Borrower		IV. EMPLOYMENT INFORMATION		Co-Borrower	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Yrs. on this job	Name & Address of Employer	<input type="checkbox"/> Self Employed	Yrs. on this job
		Yrs. employed in this line of work/profession			Yrs. employed in this line of work/profession
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)	
<b>If employed in current position for less than two years or if currently employed in more than one position, complete the following:</b>					
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)
		Monthly Income			Monthly Income
		\$			\$
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)
		Monthly Income			Monthly Income
		\$			\$
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business	Business Phone (incl. area code)	

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>Total</b>	<b>\$</b>	<b>\$</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

**Describe Other Income** Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C		Monthly Amount
		\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

ASSETS		LIABILITIES and Pledged Assets. List the creditor's name, address and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Description	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:	\$			
<b>List checking and savings accounts below</b>		Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$
Stocks & Bonds (Company name/number & description)		Acct. no.		
Life insurance net cash value		Name and address of Company	\$ Payment/Months	\$
Face amount: \$		Acct. no.		
<b>Subtotal Liquid Assets</b>		Name and address of Company	\$ Payment/Months	\$
Real estate owned (enter market value from schedule of real estate owned)		Acct. no.		
Vested interest in retirement fund		Name and address of Company	\$ Payment/Months	\$
Net worth of business(es) owned (attach financial statement)		Acct. no.		
Automobiles owned (make and year)		Alimony/Child Support/Separate Maintenance Payments Owed to:	\$	
Other Assets (itemize)		Job-Related Expense (child care, union dues, etc.)	\$	
		<b>Total Monthly Payments</b>	\$	
<b>Total Assets a.</b>		<b>Net Worth (a minus b)</b>	\$	<b>Total Liabilities b.</b>

**VI. ASSETS AND LIABILITIES (cont.)**

**Schedule of Real Estate Owned** (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
		\$	\$	\$	\$	\$	\$
	Totals	\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

**VII. DETAILS OF TRANSACTION**

**VIII. DECLARATIONS**

		If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	Borrower		Co-Borrower	
			Yes	No	Yes	No
a. Purchase price	\$		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Alterations, improvements, repairs			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Land (if acquired separately)		a. Are there any outstanding judgments against you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)		b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items		c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs		d. Are you a party to a lawsuit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee		e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? <small>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name and address of Lender, FHA or VA case number, if any, and reasons for the action.)</small>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)		f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? <small>If "Yes," give details as described in the preceding question.</small>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>i. Total costs (add items a through h)</b>		g. Are you obligated to pay alimony, child support, or separate maintenance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Subordinate financing		h. Is any part of the down payment borrowed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Borrower's closing costs paid by Seller		i. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Other Credits (explain)		-----				
m. Loan amount (exclude PMI, MIP, Funding Fee financed)		j. Are you a U.S. citizen?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. PMI, MIP, Funding Fee financed		k. Are you a permanent resident alien?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. Loan amount (add m & n)		<b>l. Do you intend to occupy the property as your primary residence?</b> <small>If "Yes," complete question m below.</small>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p. Cash from/to Borrower (subtract j, k, l & o from i)		m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? (2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**IX. ACKNOWLEDGMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described herein; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated herein; (6) any owner or servicer of the Loan may verify or reverify any information contained in the application from any source named in this application, and Lender, its successors or assigns may retain the original and/or an electronic record of this application, even if the Loan is not approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the owner or servicer of the Loan may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Borrower's Signature	Date	Co-Borrower's Signature	Date
<b>X</b>		<b>X</b>	

**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may discriminate neither on the basis of this information, nor on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information.	<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information.
<b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	<b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
<b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	<b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
<b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male	<b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male

<b>To be Completed by Interviewer</b> This application was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type) <hr/> Interviewer's Signature _____ Date _____ <hr/> Interviewer's Phone Number (incl. area code)	Name and Address of Interviewer's Employer    
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# Continuation Sheet/Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** for Borrower or **C** for Co-Borrower.

Borrower:	Agency Case Number:
Co-Borrower:	Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date
<b>X</b>		<b>X</b>	

*This resource is one in a series on the Home-Buying Process which include:*

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### **Financial Readiness**

What Creditors Look For  
Finding Mortgage Money  
Types of Financial Institutions  
Mortgage Options  
Down Payment and Closing Costs  
Pre-Qualification or Pre-Approval

### **Factors to Consider in Housing Selection**

Personal Needs and Wants  
Location  
Type and Style of House  
Type of Construction  
Interior and Exterior Space  
Special Needs  
Building as an Option

### **Locating a House**

Finding the House  
Using Real Estate Professionals  
Buying Direct From Owner

### **The Sales Contract**

Components  
Acceptance

### **Home Inspections**

Reasons for Home Inspections  
Locating an Inspector  
What Inspections Include  
Limits of Liability

### **The Mortgage Process**

Loan Application Process  
Approval or Rejection  
The Mortgage Payment

### **Purchasing Homeowners Insurance**

Before You Start Looking for a Home  
Stability of the Insurance Company  
Costs and Coverage  
Customer Service

### **Warranties**

### **The Closing**

Preparation for Closing  
Final Walk Through  
Closing Day Procedures

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### **Home Buying Process: Loan Application Process**

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