



Benefits of Buying



Not sure if you should buy a home? The rent you pay could build equity in your own real estate. Do you realize how much you pay in rent over a period of years? The chart below gives you a total picture of what is happening to your money. The rent you pay adds up to a sizeable sum.

RENT	5 YRS	10 YRS	15 YRS	20 YRS	25 YRS	30 YRS
\$1,000	\$60,000	\$120,000	\$180,000	\$240,000	\$300,000	\$360,000
\$1,200	\$72,000	\$144,000	\$216,000	\$288,000	\$360,000	\$432,000
\$1,400	\$84,000	\$168,000	\$252,000	\$336,000	\$420,000	\$504,000
\$1,600	\$96,000	\$192,000	\$288,000	\$384,000	\$480,000	\$576,000
\$1,800	\$108,000	\$216,000	\$324,000	\$432,000	\$540,000	\$648,000
\$2,000	\$120,000	\$240,000	\$360,000	\$480,000	\$600,000	\$720,000
\$2,200	\$132,000	\$264,000	\$396,000	\$528,000	\$660,000	\$792,000
\$2,400	\$144,000	\$288,000	\$432,000	\$576,000	\$720,000	\$864,000
\$2,600	\$156,000	\$312,000	\$468,000	\$624,000	\$780,000	\$936,000
\$2,800	\$168,000	\$336,000	\$504,000	\$672,000	\$840,000	\$1,008,000
\$3,000	\$180,000	\$360,000	\$540,000	\$720,000	\$900,000	\$1,080,000

→ RENT

- No interest payment deductions
- Rental amount may increase at any time
- Landlord approval needed for any changes
- No capitalization; your money disappears forever
- Rental is temporary and is often subject to 30 day's notice

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- Deductions for your mortgage interest paid
- Mortgage payments could be fixed
- Decorate and make changes without prior approval
- The value of your property may increase in time
- Your house will become a home, not a temporary living situation; you are not at the mercy of a landlord



The Life Of An Escrow



THE BUYER

Chooses a Real Estate Agent.

Gets pre-approval letter from Lender and provides to Real Estate Agent.

Makes offer to purchase. Upon acceptance, opens escrow and deposits earnest money.

Finalizes loan application with Lender. Receives a Loan Estimate from Lender.

Completes and returns opening package from New Way Mortgage.

Schedules inspections and evaluates findings. Reviews title commitment/ preliminary report.

Provides all requested paperwork to Lender (bank statements, tax returns, etc.) All invoices and final approvals should be to the lender no later than 10 days prior to loan consummation.

Lender (or Escrow Officer) prepares CD and delivers to Buyer at least 3 days prior to loan consummation.

Escrow officer or real estate agent contacts the buyer to schedule signing appointment.

Buyer consummates loan, executes settlement documents, & deposits funds via wire transfer.

Documents are recorded and the keys are delivered!

THE SELLER

Chooses a Real Estate Agent.

Accepts Buyer's offer to purchase.

Completes and returns opening package from New Way Mortgage, including information such as forwarding address, payoff lender contact information and loan numbers.

Orders any work for inspections and/or repairs to be done as required by the purchase agreement.

Escrow officer or real estate agent contacts the seller to schedule signing appointment.

Documents are recorded and all proceeds from sale are received.

THE ESCROW OFFICER

Upon receipt of order and earnest money deposit, orders title examination.

Requests necessary information from buyers and sellers via opening packages.

Reviews title commitment / preliminary report.

Upon receipt of opening packages, orders demands for payoffs. Contacts buyer or seller when additional information is required for the title commitment/preliminary report.

All demands, invoices, and fees must be collected and sent to lender at least 10 days prior to loan consummation.

Coordinates with lender on the preparation of the CD.

Reviews all documents, demands, and instructions and prepares settlement statements and any other required documents.

Schedules signing appointment and informs buyer of funds due at settlement.

Once loan is consummated, sends funding package to lender for review.

Prepares recording instructions and submits docs for recording.

Documents are recorded and funds are disbursed. Issues final settlement statement.

THE LENDER

Accepts Buyer's application and begins the qualification process. Provides Buyer with Loan Estimate.

Orders and reviews title commitment / preliminary report, property appraisal, credit report, employment and funds verification.

Collects information such as title commitment / preliminary report, appraisal, credit report, employment and funds verification. Reviews and requests additional information for final loan approval.

Underwriting reviews loan package for approval.

Coordinates with Escrow Officer on the preparation of the Closing Disclosure, which is delivered to Buyer at least 3 days prior to loan consummation.

Delivers loan documents to escrow.

Upon review of signed loan documents, authorizes loan funding.

Reviews all documents, demands, and instructions. Prepares settlement statements and other required documents.



CLOSING COSTS

Customary fees associated with a real estate transaction and the party that typically pays these fees.

SELLER'S RESPONSIBILITY

Owner's Title Insurance Policy*
Half of the Escrow Fee*

Excise Tax*

Real Estate Broker Commissions*

Loan Balances

Pro-Rated Property Taxes

Current Utility Balances

Homeowner's Association Fees

Pro-Rated HOA Dues & Miscellaneous HOA Fees

BUYER'S RESPONSIBILITY

Lender's Title Insurance Policy*

Half of the Escrow Fee*

Home Inspection

Recording Fees

First Year Fire Insurance Premium

First Year Flood Insurance Premium, (if applicable)

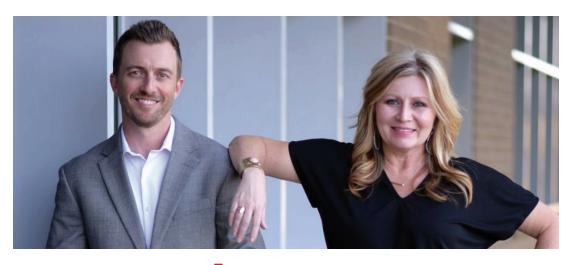
Pro-Rated Property Taxes

Survey Fee, (if required)

Homeowner's Association Fees

Pro-Rated HOA Dues & Miscellaneous HOA Fees

Lender Fees; Appraisal, Credit Report, Loan Origination Fee, Pre-Paid Interest, Private Mortgage Insurance



Life of a Sale Escrow

THE BEGINNING

- Receive Purchase & Sale Agreement and/ or loan set-up
- Assign a closer and an escrow number
- Order a title report

SEARCH AND REVIEW

- Review purchase and sale agreement
- Review preliminary title report
- Contact parties for needed information

GATHER INFORMATION

- Obtain payoffs on liens/bills to be paid through escrow
- Obtain title clearing documents
- Coordinates with Lender on preparation of the Closing Disclosure (CD)
- Prepare settlement statement and documents

THE SIGNING

- Set appointment with parties
- Parties deposit documents and/or funds into escrow

THE CLOSING

- Loan documents returned to lender
- Recordable documents sent to title
- Lender authorize recording
- Title sends documents to county recorder
- Lender deposits loan proceeds (lender must wire proceeds prior to 2 p.m.)
- Recording number received from county

DISBURSEMENT

- All encumbrances and bills paid
- Proceeds delivered to Seller
- Commission checks delivered to Agents
- Mortgage Broker check delivered
- Keys available from your agent or per a contract agreement

THE FINISH

- Final copies and title policies to all parties
- Record reconveyances and releases
- Celebrate

