



The Mortgage Contingency

You're going to learn everything you need to know about the mortgage process from your mortgage lender. If you're not currently working with someone I have the names of people that are experts in the field and would be more than happy to help you in the process. So for this example, I'm going to outline the broad strokes of what happens throughout the mortgage process. We've already gone over the pre-approval process. That's what you do to get yourself educated on what it is you can afford, and it shows the potential seller that you have begun the process of getting a mortgage, are on top of your financial situation, and are serious about buying a property.

The steps that follow are a formal application process, which involves sitting down with your mortgage lender and providing the documentation of things such as tax returns, income statements, rent payments, any additional incomes and expenses, and any other type of paperwork they may need to complete your application. Contact me for a full list of things to bring to your mortgage lender to start the formal application process.

Once we've identified a property that you wish to purchase and we have gone through the offer and contract process, the mortgage underwriting process can begin. This includes an appraisal of the property's value done by an independent professional appraiser hired by the bank. This is the bank's way of certifying that the funds you are requesting from the bank to purchase the property make a solid investment for them.

From there it's a matter of waiting for the writing process to be completed. Your paperwork goes through many channels at the bank and usually takes about a month to get a solid approval and the words we all love to hear: a **Clear to Close**. There aren't very many surprises in the mortgage process; usually just the submission of required financial paperwork for the bank's underwriting system to make a completely educated decision on your loan.

Your mortgage lender will stay in touch with you throughout the process. By the time you are ready to go to closing, you'll know what your monthly mortgage payment will be, how much money you will need to bring (if any) to closing and answers to just about any question you may have regarding the finances of your new purchase.

Rich Epstein
Residential Properties Ltd.
(P) 401-553-6367
(E) repstein@residentialproperties.com
(W) www.richepstein.com