

### Step 1: Get Started

Know your budget & understand how much house you can afford. A good mortgage lender can help you with this step and there are all kinds of helpful financial calculators and online tools.



**TIP:** You can be proactive and familiarize yourself with the housing market. Look at real estate listings in neighborhoods that appeal to you. See if your expectations match your budget and work toward aligning them.

- Helpful Resources**
- How Much House Can I Afford?

### Step 2: Prepare

- Helpful Resources**
- 8 Tips for Saving for a Down Payment on Your First Home
  - Need help improving your credit score? Review these helpful tips: 5 Tips to Help You Improve Your Credit Score

Start saving. Put some money aside on a regular basis and grow your savings.

Take a look at your financial situation. Obtain a credit report and make sure it's accurate. Keep your expenses low. Don't take on any new credit card debt or make any big purchases.

### Step 3: Build a Relationship with a Professional Mortgage Lender

Understand the types of financial information you will need to provide your lender and begin to gather documentation.

Select a mortgage lender you trust.

Apply to prequalify for a mortgage. Some brokers will require this prior to scheduling a showing. Also having a pre-qualification letter in-hand gives you a more accurate idea of the amount you can borrow and the price range of the house you can afford, and that makes you a more attractive buyer.

- Helpful Resources**
- Mortgage Application Checklist
  - How to Choose a Mortgage Lender

### Step 4: Apply for a Mortgage

**TIP:** Expedite the process and manage your documents online with e-docs.

- Helpful Resources**
- 4 Things You Should Know About Homeowners Insurance

When your offer is accepted, share the signed Purchase & Sale Agreement with your lender.

Submit all financial paperwork to your lender along with your mortgage application.

Discuss escrowing property taxes and homeowners insurance with your lender.

Shop for homeowners insurance and decide if you want owner's title insurance.

Sign and return final paperwork to your lender.

### Step 5: Your Loan is Approved!

You're almost there, but a few things need to happen behind the scenes prior to closing.

The appraiser completes the appraisal of the home's market value and provides it to the lender. The appraisal will help inform the lender's decision on the amount that can be approved for the loan.

The title company or attorney completes the title commitment for the lender.

The lender performs a flood search to ensure property is not in a flood zone. If the property is in a flood zone, flood insurance is required.

Prior to closing, your credit and asset information is re-verified. The lender also completes a verification of employment and requests evidence of your homeowners insurance policy.

The closing process is nearly complete when the lender clears the loan to close, sets a closing date and starts preparing the documents.

- Helpful Resources**
- Understanding Mortgage Closing Costs

If you thought this was helpful and want something more, we're here to help. With a mortgage lender in every branch, we can help guide you every step of the way on your journey to becoming a homeowner.

Find a Kennebunk Savings Branch Near You