



Tips to Home Buying

FRANDSEN BANK MAKES IT EASIER

1 START WITH A FRANDSEN BANK & TRUST HOME MORTGAGE PREAPPROVAL

This is the most important step before you search for a new home.

FB&T goes the extra mile—beyond prequalifying you for what you can afford, they actually get a loan amount preapproved by the underwriter. This gives the seller confidence to accept the offer, knowing you have the means to buy the house.

The preapproval is good for four months and FB&T makes it super easy to complete online or in person.

FB&T's team of experts will factor the potential monthly payments and down payment. Depending on the loan, a down payment will require 0–20% of the home price, while a good rule of thumb for many families' monthly payment is 29% of gross income.

2 GO HOUSE HUNTING

Engage a real estate agent who knows the market where you want to buy and can arrange showing you homes in your price range that meet your requirements. Let the agent know your targeted price range and that you've completed the FB&T preapproval for a loan.

3 CHOOSE A HOME AND NEGOTIATE AN OFFER

Make an offer on a home that is contingent upon financing at an appraised value at or below what the market demands. Your real estate agent can help negotiate the terms with the seller or the seller's agent.

An earnest money deposit to hold the house during the buying process is necessary and will go toward your down payment. The deposit is based on a number of factors but typically it is 1–2% of the purchase price. The payment is held in escrow by the title company or real estate broker, depending on the laws in the state.

4 CALL FRANDSEN BANK & TRUST AND START THE MORTGAGE BUYING PROCESS

Provide FB&T with the purchase agreement for your home and FB&T will generate a Loan Estimate (LE) for you to prepare for closing. You also can lock in an interest rate with FB&T at any time within the process—so even if rates go up you get the lower rate. The process typically takes around 30–45 days and includes a home appraisal.

5 GET A HOME INSPECTION

Hire a professional inspector to check the home for costly or harmful issues. In some cases the seller may make the repairs or reduce the home price.

6 GET A HOME INSURANCE POLICY

You'll need to identify your insurance carrier and policy for the property in order to finance. FB&T can include the insurance costs in the escrow on your home loan and handle the payments on your behalf.

7 MAKE A FINAL INSPECTION

Do a walk through the property again to ensure everything is in order before you take possession.

8 CLOSE THE DEAL AND GET THE KEYS!

A title company and/or attorney will handle the closing with you to get your signatures, including the mortgage from Frandsen Bank & Trust. Once you sign the documents and pay the closing costs you will get the keys to your new house.



EQUAL HOUSING LENDER Member FDIC

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FRANDSEN BANK & TRUST

Real people.
Real results.