

Homebuyer's Booklet



PRESENTED BY

Colin Davies

Realtor® | Security Pacific Real Estate
(510) 435-3624
colin@colindaviesrealty.com
DRE# 01935999



HOMEBUYER'S BOOKLET



WELCOME, FUTURE HOMEOWNER!

We're excited to begin the homebuying journey with you!

We created this booklet to give you all the information, tools, and resources you might need when you start getting serious about buying a home.

As your mortgage lender, we're committed to being there for you every step of the way to help you buy the home of your dreams. *Let's do this!*

- THE JVM TEAM

WHAT'S INCLUDED IN THIS BOOKLET:

- Why Choose JVM Lending?
- JVM Homeownership Advantage©
- How To Get Pre-Approved
- Types of Mortgage Loans
- The Loan Process: How It Works
- Closing Process: What To Expect
- Actions To Avoid After Getting Pre-Approved
- What Will Affect Your Interest Rate?
- Buyer's Guide: Helpful Info for First-Time Homebuyers
- Contact Us



SCAN ME

Our website is full of helpful resources too!

Scan the code above to visit the JVM website.

(855) 855-4491

jvmteam@jvmlending.com

jvmlending.com





WHY CHOOSE JVM LENDING?

We're more than just a mortgage lender.



Choosing JVM as your mortgage lender ensures you are getting the absolute most out of your home – right now, next month, and in the years to come.

JVM HOMEOWNERSHIP ADVANTAGE[®]
Our Homeownership Advantage[®] program sets you up with several complementary services for before, during, and after your transaction.

JVM CLOSE ON-TIME GUARANTEE
If we are at fault for missing your closing date, we will pay up to \$2,500. We pay you – so you know we are willing to put our money where our mouth is.

LOW RATES
We ensure our rates are always among the lowest in the industry and ~ 0.25% LOWER than the national average.

EASY MORTGAGES
Our superior technology and highly advanced systems provide the best and most seamless client experience in the industry.

7 DAY A WEEK AVAILABILITY
Our super team of highly trained mortgage experts is available 7 days a week to answer all of your questions.

NO COMMISSIONS = NO PRESSURE
Our team of experts is not on commission, so you will never be pressured or pushed to do anything you don't want to do.



JVM's goal is to make the mortgage process as fast, easy, and seamless as possible.

MORE BENEFITS FOR YOU:

- Fast closings
- 60-minute responses during business hours
- Pre-underwritten pre-approvals
- Team of highly-trained mortgage experts
- We call listing agents with every offer you make
- We're a direct lender



OUR TEAM IS AVAILABLE TO ANSWER ANY OF YOUR MORTGAGE QUESTIONS.

(855) 855-4491

jvmteam@jvmlending.com

APPLY NOW >>> [JVMLENDING.COM/GET-STARTED](https://www.jvmlending.com/get-started)



#1 Rated Mortgage Lender
1,000+ Five-Star Reviews





JVM HOMEOWNERSHIP ADVANTAGE[©]

BENEFITS THAT GO FAR BEYOND MORTGAGES!



Moving Assistance

Make your move 10x easier!



Home Management App

Organize & track your home projects and maintenance.



Monthly Home Value Updates

See how your investment appreciates in value.



Interest Rate Monitoring

Never miss an opportunity to refinance into a better loan.



JVM's Easy Experience[©]

The smoothest homebuying experience possible.



Renovate To Sell

Get the most for your home when you're ready to move again.

LEARN MORE AT [JVMLENDING.COM/HOMEOWNERSHIP-ADVANTAGE](https://jvmlending.com/homeownership-advantage)

We are much more than just a lender, with numerous benefits you can enjoy **before, during, and after** your transaction! →



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HOW TO GET PRE-APPROVED

The first step in buying a home.



Getting pre-approved is easy and free!

Following the steps below will set you up for pre-approval success:

- **STEP ONE: FILL OUT YOUR LOAN APP**
To start the pre-approval process, we will have you fill out your JVM loan application on our website (jvmlending.com/get-started).
- **STEP TWO: UPLOAD YOUR DOCUMENTS**
When filling out your loan application, it will ask you to upload additional documentation paper trailing your financial history:
 - At least two years of financial records
 - W2s and/or Form 1099s
 - Copies of your federal tax returns
 - Current banking records
- **STEP THREE: WE ANALYZE YOUR INFO**
We analyze everything you submitted in your loan application along with any documents you uploaded - ultimately determining how much you can afford.
- **STEP FOUR: YOU'RE PRE-APPROVED!**
Your JVM Client Advisor will send you your JVM Lending Certified® Pre-Approval Letter for your max purchase price. When you start submitting offers, we can tailor your pre-approval to match every offer.

WHAT IS A PRE-APPROVAL?

A mortgage pre-approval is the process of determining how much money you can borrow to buy a home.

To pre-approve you, we look at your income, assets and credit score to determine what loans you could be approved for, how much you can borrow, and what your interest rate might be.

WHY SHOULD YOU GET PRE-APPROVED?

There are four key reasons all buyers need to get pre-approved before looking for a home:

REASON #1: Sellers will consider offers from pre-approved buyers more seriously.

REASON #2: Pre-approved buyers have an easier time finding a Real Estate Agent.

REASON #3: Pre-approvals can help focus your home search and budget by determining what you can afford and are comfortable spending on a housing payment.

REASON #4: Pre-approvals significantly improve your chances for success – especially in a hot housing market!

Pre-approved buyers are more likely to be homeowners faster and with fewer roadblocks in the mortgage process!

Ready to start your pre-approval?

Scan the code to start filling out your JVM loan application:



SCAN ME

TYPES OF MORTGAGES

Find the loan type that fits your needs.



Our most popular home loans:

Conforming / Conventional

- MINIMUM DOWN PAYMENT: 5% (or 3% in certain cases)
- RATE: Fixed-rate and adjustable-rate options
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 620
- PROPERTY TYPE: Primary Home, Investment, or 2nd Home
- JVM CLOSING SPEED: As fast as 14 calendar days
- LOAN AMOUNT: Must be within the county conforming loan limits

FHA

- MINIMUM DOWN PAYMENT: 3.5%
- RATE: Fixed rate for the life of the loan
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 600
- PROPERTY TYPE: Primary Home (Condos must be FHA-approved)
- JVM CLOSING SPEED: As fast as 14 calendar days
- LOAN AMOUNT: Must be within the county FHA loan limits

Jumbo

- MINIMUM DOWN PAYMENT: 20% (or 10% with stricter guidelines)
- RATE: Fixed-rate and adjustable-rate options
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 680
- PROPERTY TYPE: Primary Home, Investment, or 2nd Home
- JVM CLOSING SPEED: 21 calendar days
- LOAN AMOUNT: Exceeds county conforming loan limits

Veterans Administration (VA)

- MINIMUM DOWN PAYMENT: 0%
- RATE: Fixed-rate and adjustable-rate options
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 600
- PROPERTY TYPE: Primary Home (Condos must be VA-approved)
- JVM CLOSING SPEED: 30 calendar days
- LOAN AMOUNT: Loan limits vary by location and borrower

1st/2nd Combo Mortgage

- MIN. DOWN PAYMENT: 10.01% for primary, 15% for 2nd home
- RATE: Fixed-rate and adjustable-rate options
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 680
- PROPERTY TYPE: Primary or 2nd Home
- JVM CLOSING SPEED: 21 calendar days
- PRO: Avoids mortgage insurance and jumbo loan guidelines

Adjustable Rate Mortgage (ARM)

- MIN. DOWN PAYMENT: 5% for conforming; varies for jumbo ARMs
- RATE: Fixed for an initial period & adjustable after fixed period ends
- TERM: 30 years (most common) or less
- MINIMUM CREDIT SCORE: 680
- PROPERTY TYPE: Primary or 2nd Home
- JVM CLOSING SPEED: Varies by loan type (i.e. jumbo/conforming)
- PRO: Great option for those planning to move before fixed period ends

Explore more loan types on our website: jvmlending.com/loan-types



THE LOAN PROCESS: HOW IT WORKS

Our team will walk you through each step.



STEP ONE: You decide to buy a new home!

You fill out JVM Lending's online loan application and connect with one of our Client Advisors, who will:

- Discuss your goals and answer ALL of your mortgage questions
- Walk you through the homebuying process
- Provide you with valuable info on market conditions, monthly payments, loan types, cash to close, taxes & more!
- Help you gather any supporting documentation needed for your loan application

STEP TWO: Get pre-approved.

We will review your loan application and supporting documentation to:

- Make sure you are 100% qualified with no outstanding issues
- Share detailed payment and closing cost scenarios to ensure you are comfortable with your desired price range
- Issue your official JVM Lending Certified® Pre-Approval Letter so you can start your home search!

STEP THREE: Make offers.

You'll shop for homes with your Real Estate Agent, who will help you:

- Search for the home of your dreams and get your offer accepted!
- Open escrow, schedule inspections, and begin moving preparations

STEP FOUR: Lock in your interest rate.

Your Real Estate Agent sends us your ratified purchase contract and we:

- Review and update your loan file to ensure your transaction flows smoothly once in underwriting
- Quote & lock in your interest rate
- Order the property appraisal & send out your initial disclosures for signing

STEP FIVE: Close on your home.

As soon as your disclosures are signed, you'll be introduced to your Closing Specialist, who will:

- Submit your file to underwriting & review the underwriter's conditions with you
- Order your final loan documents and facilitate your signing appointment
- Ensure your loan funds and escrow closes on time!*

*For information about what happens during the closing process, go to the next page.



Ready to start your pre-approval?
Scan the code to start filling out your
JVM loan application!

(855) 855-4491

jvmteam@jvmlending.com

jvmlending.com





CLOSING PROCESS: WHAT TO EXPECT

Our team will ensure you close on time.



The following outline assumes a 21-day close of escrow. Please note that the steps will be expedited for faster closes.

— DAYS 1-4: Submitting your loan application to underwriting.

Your Closing Specialist will help gather the necessary documents and update your file for underwriting's review.

- Initial loan disclosures are sent out for you to sign.
- You'll select your insurance provider and finalize your coverage options with your insurance agent.
- You reach out to your banks to discuss transferring timelines for any drawn funds needed for your purchase.

— DAYS 5-7: Receive appraisal report & formal loan approval.

- Our Appraisal Manager receives & reviews your appraisal report with you and your Real Estate Agent.
- After receiving formal loan approval and loan conditions from the underwriter, your Closing Specialist will work with you to gather and return condition requests as soon as possible.

— DAYS 8-15: Final loan approval & clear to close.

- The underwriter signs off the loan conditions and “clears” your loan for closing.
- You will receive and electronically sign your Closing Disclosure (CD) with updated loan terms and fees.
- We recommend ensuring that your assets are ready to be sent to escrow at this time. The amount due will be provided from escrow within the next few days.

— DAYS 16-19: Signing loan documents.

- Your Real Estate Agent or escrow officer will set up a signing appointment of your final loan docs with a notary.
- We recommend that you send your funds to close to escrow by the day that you sign your loan docs.

— DAYS 20-21: Funding & Recording.

- The funder wires the loan proceeds to escrow.
- The escrow officer records your transaction with the county (this can be the same day as funding, or the next day.)
- Once escrow receives confirmation of the recording from the county, you are officially the new owner of your home!


 **CONGRATULATIONS!** Your loan has funded.


This page outlines the basics of the loan closing process.

To review our complete process, scan the QR code.



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 [jvmlending.com](https://www.jvmlending.com)



ACTIONS TO AVOID AFTER GETTING PRE-APPROVED

The actions below could disqualify your pre-approval.



The below list includes actions that should be avoided **after** you receive your JVM Lending Certified® Pre-Approval. These actions do not always result in disqualification, but they can result in lengthy delays to your closing timeline and require additional time-consuming paperwork and documentation.

❌ Do NOT have relatives deposit “gift funds” into your account.

It is best to have them deposited directly to escrow instead. If they are deposited into your bank account, we will need a copy of your donor’s bank statements in order to “paper-trail” the transaction.

❌ Do NOT take on new debt.

If you increase credit card balances or finance a vehicle, your debt ratios will be adversely impacted, reducing your maximum purchase price.

❌ Do NOT make any transactions or deposits that cannot be explained or sourced.

All large or recurring deposits and withdrawals must be explained and/or “paper-trailed.” Any deposits from mattress money, untraceable foreign bank accounts, crypto accounts or cash payments of any kind can render an entire bank account invalid and unusable for qualifying.

❌ Do NOT make any transfers from business accounts.

Business accounts are more carefully scrutinized than personal accounts. If any large transfers are traced back to business funds, additional documentation will be needed and added requirements will have to be met.

❌ Do NOT send your Earnest Money Deposit from a business account.

Because the EMD is a portion of the down payment, it is held to the same guidelines as the other funds being used toward the purchase. The EMD should come from an approved account and will need to be paper-trailed.

❌ Do NOT change jobs without consulting us.

Job changes can pose a risk to qualification – especially if you are relying on the use of bonus, overtime, or commission income to qualify.

❌ Do NOT liquidate (buy/sell) crypto before going into contract.

If you are planning to use funds currently held as cryptocurrency toward your purchase, please contact your JVM Client Advisor and discuss the best ways to do this.

❌ Do NOT file taxes with a tax liability owing, or with less income than in previous years.

This applies to self-employed borrowers primarily, particularly during tax season. We always base our qualifying income on the most recently filed tax returns, and we must prove that all tax liabilities are paid. We recommend that borrowers file an extension when possible if they are making offers during tax season.*

❌ Do NOT spend substantial liquid assets.

Pre-approval software relies on specific liquid asset levels; pre-approval amounts can change if liquid assets are significantly reduced.

❌ Do NOT take unpaid days off.

If your debt ratios are high or near the limit, even a single unpaid day off from work can push you out of your qualifying range.

❌ Do NOT miss payments on any debts reporting on a credit report.

Even though this is relatively obvious we like to remind buyers that missing any monthly payments can sharply reduce their credit score, and their qualification amount.

❌ Do NOT co-sign for someone else’s debts.

Even if you are just a “co-signer”, the debt will still show up on your credit report. You will be responsible for that debt and the payments (unless we can show twelve canceled checks from the person making payments, in most cases).

 If you have any questions about these actions or getting pre-approved, our team is available to help!

WHAT WILL AFFECT YOUR INTEREST RATE?

We often have buyers ask: “What is today’s interest rate?” and we always respond by explaining there is no single rate, because there are so many things that affect an individual borrower’s rate.

FACTORS THAT INFLUENCE YOUR INTEREST RATE:

»» PROPERTY TYPE

Condos, high-rise condos and multi-unit dwellings (2 – 4 units) usually have higher interest rates associated with them, as compared to single-family dwellings.

»» CREDIT SCORES

Credit scores significantly affect rates. A borrower with a 750 mid-score might have a rate as much as 1% lower than a borrower with a 670 mid-score.

»» DOWN PAYMENT

The bigger the down payment, the lower the interest rate, in most cases.

»» PROPERTY USE

Investment properties have higher rates than owner-occupied properties.

»» RATE LOCK PERIOD

Interest rates can be “locked in” or guaranteed prior to close of escrow for 15, 30, 45 or 60 days in most cases. The longer the lock period, the higher the rate.



»» LOAN TYPE

FHA and VA rates are usually lower than conforming (Fannie/Freddie) rates, and our jumbo rates are currently the lowest of all for very strong borrowers.

»» LOAN AMOUNT

Very small loans (under \$150,000 for example) can have higher rates, as can very large jumbo loans (over \$3 million for example). In addition, “Low Balance” conforming loans under \$647,200 will have lower rates than “High Balance” conforming loans (from \$647,200 to \$970,800).

»» FIXED PERIOD / LOAN MATURITY

The longer a rate stays fixed, the higher the rate. For example, a 7/1 ARM (fixed for seven years) will usually have a lower rate than a 15-year fixed-rate loan, and a 15-year fixed-rate loan will have a lower rate than a 30-year fixed-rate loan.

»» 1ST / 2ND COMBO LOANS

Loans with a concurrent 2nd mortgage can have higher rates too, depending on the loan-to-value ratio.



Want to compare different interest rate options?

Scan the code to use our rate comparison tool to browse different rate and buying scenarios.

NOTE: IF SEVERAL OF THE ABOVE FACTORS WORK IN TANDEM, THE RATE CAN BE SIGNIFICANTLY AFFECTED.

BUYER'S GUIDE

Our Buyer's Guide is full of helpful info for anyone new to the mortgage or homebuying process.



MAKING OFFERS ON A HOME

When you find a house you like, your Real Estate Agent will write an offer on your behalf and submit it to the Listing Agent (the Real Estate Agent who “listed” the house for the seller). Your Real Estate Agent will usually tell us what the offering price is, and we then send a formal Pre-Approval Letter tailored to the exact offering price. However, most offers will not be taken seriously unless they are accompanied by a formal [JVM Lending Certified® Pre-Approval Letter](#).

We recommend that you do not use a single pre-approval letter that indicates the maximum purchase price you qualify for because it may indicate a willingness to pay a higher price to the seller. Often a seller, through his agent, will counter a buyer's offer with a higher price or different terms. Buyers and sellers can go through several iterations of this before finally agreeing on the price and terms.



YOUR OFFER IS ACCEPTED! NOW WHAT?

Once your offer is accepted, your Real Estate Agent and JVM will take care of almost everything else.

- Your Real Estate Agent will open escrow and arrange for necessary inspections.
- JVM will order the appraisal and submit your complete loan package to underwriting.
- You will sign loan disclosures, review the inspection reports and the appraisal, provide additional loan conditions and documents, and show up to sign loan documents about 5 to 7 days before the anticipated closing date.
- You will also decide on what concessions are necessary from the seller if the inspections reveal issues that need to be addressed.

EARNEST MONEY DEPOSIT

An Earnest Money Deposit (EMD) is a check from you that accompanies your offer on a home. An EMD check proves your offer is serious and in good faith, and it adds validity to your offer. The check is made payable to an escrow company, not to the seller.

EMD amounts can vary from \$1,000 to up to 3% of the purchase price, and the amount is applied to your total down payment and closing cost requirements at close of escrow. Earnest Money Deposit checks or wire payments should come directly from you.

CONTINUED ON NEXT PAGE

BUYER'S GUIDE

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INSPECTIONS

Inspections are necessary to ensure there are no health and safety issues, and that a home will not need major repairs after close of escrow. Inspections can be done for pests, roofs, wells, soil, septic tanks, and natural hazards. The cost of or payment for the inspections and the cost of any recommended or required repairs is negotiable between the buyer and the seller.

If an inspection report calls out significant damage or any health and safety issues, lenders will require that repairs be made prior to close of escrow, unless a property is purchased “as is.” An “as is” purchase is a purchase offer with no inspection contingencies.

If a purchase is not “as is” and inspections illuminate significant repair needs that you were unaware of at the time of your offer, you can use the inspection report as a reason to back out of your purchase (see Contingencies section below). You can also use inspection reports as a reason to renegotiate the terms of their offer, such as a seller credit for closing costs or a reduced price.



CONTINGENCIES

In most cases, your Real Estate Agent will have “contingencies” written into a purchase contract that allows you to back out of a transaction for various reasons, including cold feet. These contingencies can be for inspections, an appraisal, a loan approval, or other things. The contingency period(s) can last from 5 to 30 days.

Once you “remove contingencies,” however, you are obligated to buy the property; you can no longer back out because you have to tell the seller that all contingencies have been met. You can risk losing your earnest money deposit if you back out of a transaction after removing contingencies.

ESCROW

Escrow companies act as a third party buffer between buyers and sellers, and they coordinate the transaction overall. Escrow companies order title reports and title insurance from the Title Company.

The Title Company collects and prepares the loan documents and draw up the necessary legal documents as well. They also collect all of the funds from you (the buyer) and the lender and ensure all funds are dispersed properly.

Because escrow companies are regulated, their fees are often similar to one another’s. Furthermore, most Real Estate Agents have relationships with experienced escrow officers who are highly vetted and skilled and therefore tend to foster much smoother transactions. Because of this, your Real Estate Agent will typically recommend the use of a particular escrow officer and company when a contract is ratified. In most cases, buyers (and their Real Estate Agents) are allowed to choose which escrow company will manage a purchase transaction. In some cases, sellers will designate the use of a particular escrow company in contract negotiations.

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BUYER'S GUIDE

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IMPOUND ACCOUNTS

Impound or escrow accounts are maintained by lenders or servicers and are set up to allow you to pay your property taxes and hazard insurance on a pro-rata monthly basis instead of on a semi-annual or annual basis. Impound accounts are usually required when a buyer's down payment is 10% of the purchase price or less. Impound accounts are always needed for FHA and VA loans.

For example, if property taxes are \$6,000 per year and hazard insurance is \$1,000 per year, a buyer would have a total of \$7,000 to divide into twelve monthly payments of \$583 per month. Buyers would simply add the \$583 to their principal and interest payment and make the larger payment to their loan servicer each month. The loan servicer would then make property tax and hazard insurance payments for the buyers.

Depending on the closing date, impound accounts can substantially increase recurring closing costs because they require escrow officers to collect an additional three to ten months of property taxes and up to a full year of insurance to "pad" the impound account to make sure there is enough money in the account when the property tax and insurance payments actually come due.



INSURANCE

All lenders require homebuyers to obtain homeowner's or hazard insurance when they purchase a property. The cost of the coverage can vary depending on the size of the home, the size of the deductible and the terms of coverage. Often a buyer's auto insurance carrier will offer a discounted rate if a buyer bundles his auto and homeowner's insurance.

When buyers find an insurance agent and policy they like, they simply need to provide the insurance agent's name and phone number, and we will procure the necessary proof of insurance.

CLOSING COSTS

NONRECURRING closing costs include the one-time fees that buyers pay only at the time of purchase. These costs include the escrow fee, the title insurance, the appraisal fee, the underwriting fee, the notary fee, the recording fee, and the transfer taxes, among other things. These fees can range from \$4,000 to \$20,000 (or more) for a home purchase with no discount points or origination fees, depending on the size of the purchase and the amount of transfer taxes.

RECURRING closing costs include any costs that recur after the purchase closes. These costs include prepaid interest, property taxes, hazard insurance, and HOA dues. Recurring costs are significantly larger if there is an "impound account" because lenders will collect three to ten months of property taxes and up to fourteen months of hazard insurance upfront to fund the impound account.

➡ You can view our entire Buyer's Guide on our website: jvmlending.com/jvm-buyers-guide



CONTACT US

We want to help make your homeownership goals a reality.



We guarantee 60-minute responses to emails & voicemails during operating hours.

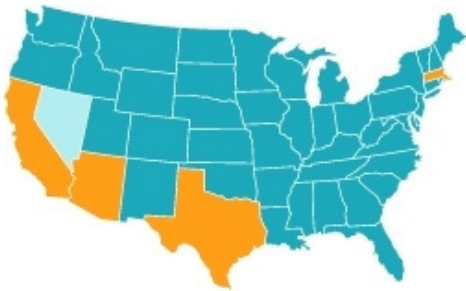
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 jvmteam@jvmlending.com

Available 7 Days A Week

Monday – Friday: 8:00am – 6:00pm

Saturday – Sunday: 10:00am – 5:00pm



We are licensed in:

- California
- Texas
- Arizona
- Massachusetts

COMING SOON TO NEVADA

Office Locations

- Walnut Creek, CA
- Plano, TX

Want to talk to someone before filling out a loan application?

We'd love to chat with you!



SCAN ME


Scan the QR code above to schedule a time to talk to us.


Or visit:

jvmlending.com/get-started

The mortgage experience with JVM was amazing! The smoothest, easiest, most seamless experience from beginning to end that I have ever had buying a house. Everybody was knowledgeable, communicative and absolutely fantastic.

- Shelly J. (Homebuyer)

 (855) 855-4491

 jvmteam@jvmlending.com

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 **jvmteam@jvmlending.com**

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