How To Choose. . .

A Mortgage Company

You've checked and re-checked your budget. You've crunched the numbers and know how much house you can afford. You know the difference between interest rate and annual percentage rate (APR). You're ready to buy a house or refinance.

But are you ready to choose your lender? Don't take lender choice for granted. Here are some things to consider:

PROFESSIONALISM • You want to work with a true mortgage professional- a mortgage strategist that has access to all available programs. Although you have done a lot of research and have crunched the numbers, a true mortgage professional should bring added value to the transaction, whether a new purchase, new construction or refinance.

REPUTATION • There are many mortgage companies out there. Do your homework. How long have they been in business? Have they been recognized for their service levels? Are they a member of the local Chamber of Commerce? Canvas your friends and family: what were their experiences? Ask for references. Loan officers are now required by law to be licensed and registered on the Nationwide Mortgage Licensing System (NMLS).

SERVICE • You are going to work closely with this company for a while. It's a complex process. You need a reliable person with integrity to navigate the process. Trust your gut. What was your first impression? Did you get someone on the phone right away? Did they answer your questions thoroughly without too much industry jargon? Did you feel pressured to submit an application before you were ready? Were they interested in you and your needs? Did they listen?

PRODUCT SELECTION AND PRICE • Product Selection is important. Ask your loan officer how he or she will help you determine which type of loan best fits your needs. Pay attention to the mortgage interest rate, lender's fees and closing costs and make 100% sure you are comparing apples with apples. For example, adjustable rate mortgages (ARMs) typically have low initial rates that will move upward after three, five, or seven years. In the case of fixed rate mortgages, shorter term loans typically have lower rates than longer term loans. Interest rates may be similar from one company to another but fees will vary so it is wise to understand the different fees. Also, rates change daily, sometimes more than once a day, so if you are shopping rates, make sure they are for the same type and term of loan, with the same rate lock period and from the same day. Required by law, a good faith estimate (GFE) is a helpful tool for comparison, if you keep in mind the day-to-day rate changes.

SUMMARY • The mortgage lender you choose and how you manage that mortgage will dramatically impact every aspect of your financial well being. Do not make a decision until you feel that you are well informed and that the mortgage lender considers your best interests a top priority. A good mortgage loan officer will be there for you AFTER the loan closes and someone you partner with for years to come, IF you find the right one.

SONORA MORTGAGE

A division of Sonora Bank

• Purchase • Re-finance • Home Equity • Construction • Reverse

830.755.4635 • 877.696.2504

EQUAL HOUSING OPPORTUNITY

Member FDIC

31134 IH-10 West, Boerne, TX

~ AWARD WINNING SERVICE ~