



The Closing

The closing is where you sign the loan documents for your new home and pay the remainder of any down payment and closing costs due. Before closing you will be told what your final closing costs will be so you will be prepared and comfortable at closing.

The closing will take place at a title company. A professional closing agent will walk you through all the closing documents and answer any questions you have.

Congratulations, you are now a homeowner!

STILL HAVE QUESTIONS?

Please ask us. If we cannot answer your questions immediately, we have resources available to get you the information you need to make the right home buying decision.

A factory constructed home still offers the greatest value for your housing dollar. All of the benefits, cost savings and quality construction that you expect from a new factory constructed home are in every new Oak Creek home we build.

Now you can finance your factory constructed home just like a “site-built” home.



www.americanhomestarmortgage.com





Congratulations on your decision to buy a new home!

American Homestar Mortgage is here to help you during your entire home financing process. This brochure tells you what you need to do and what happens every step of the way – from application through closing. After you've looked through this brochure, keep it handy for easy reference.

Applying for Credit

Once you find the home that's right for you, your Sales Associate will help you complete a loan application. It contains all the information we need to approve your highest qualified loan amount. Fill out the application completely. It helps us match you with the most appropriate loan to best suit your financial needs.

The Purchase Agreement

To start your loan process you'll sign a purchase agreement and provide an earnest money deposit to American Homestar Mortgage. The funds paid to American Homestar Mortgage will be used to purchase a credit report and appraisal. All funds will be credited to your down payment at closing. Once you sign the purchase agreement, you have made a commitment to purchase a home. If you change your mind you may lose part or all of your earnest money.

The Approval Process

Once we have your loan application, we will evaluate information including your income, the cost of the home you want to buy, how much your monthly payments will be, and your credit rating. Then we will notify you as to whether you are approved for a loan, and if approved, the loan amount. Next, we will work with you to complete your loan. This involves confirming the information on your application and determining the final loan amount and terms.

You may need to provide the following documents in completing your loan:

- Current pay stub covering the most recent one-month period.
- W-2s for the last two tax years.
- All pages of last 2 months bank account statements
- Government- issued photo identification
- Tax returns for last 2 years if self employed.
- Down payment documentation

Your Credit Rating

A credit rating is based on your history of making payments (such as loans or other types of credit), how much you owe, how long you've had credit, the types of credit you have, and new credit you're applying for. A better credit rating improves your chances of being approved for a loan.

Loan Options For Financing Your Home

Whether you will put your new home in a rental community or on your own real estate, American Homestar Mortgage and its affiliates have loan programs that work to meet your specific financial needs. Here's an overview of our manufactured housing financing programs:

HOME ONLY LOANS

When you finance a home only, it means you are borrowing just the cost of the home—not any land. You can also finance some of the costs to actually place your home on the site you choose—a rental community home site or improved land that you lease.

Steps to a Home Only Loan

- | | |
|-----------------------------------|----------------------|
| 1. Purchase Agreement | 5. Closing |
| 2. Application | 6. Home Installation |
| 3. Loan Approval | 7. Phone Audit |
| 4. Documentation and Verification | 8. Move In |

LAND AND HOME LOANS

A Land and Home Loan provides financing for both the home and the land on which the home will sit. There will usually be home site improvements before your home can be delivered and installed.

Your land and home must meet certain requirements. For example, they must have the correct permits and proper zoning. And the home must have adequate utilities and access to a suitable all-weather road. American Homestar Mortgage, your retailer and professional contractors will work with you to take care of all of these details.

Closing costs can usually be included in your loan and may include:

- Appraisal
- Land title search
- Land survey
- Title insurance
- The lender's attorney
- Escrow

Your Escrow Account?

A portion of your monthly payment goes into your escrow account to pay your property taxes and insurance. You never have to pay these fees on your own because they're included in your monthly mortgage payments.

Steps to a Land and Home Loan with Construction

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| 1. Purchase Agreement | 7. Site Improvements and Home Construction Begin |
| 2. Loan Application | 8. Home Installed on Site |
| 3. Credit Approval | 9. All Construction Completed |
| 4. Documentation, Verification and Final Underwriting | 10. Final Inspection |
| 5. Appraisal, Title and Land Survey | 11. Move In |
| 6. Closing At Title Company | |

Building Your Home

Your Sales Associate will work with you to make sure your home is built just the way you want it, delivered to your home site, installed and ready for you to move in.

Finalize all the details of your new home

- Ordering your new home exactly the way you want it.
- Inspecting the site where your home will be placed.
- Any site improvements that are required (well, septic, driveway, deck, utility hook-ups)

Your retailer will help you coordinate final installation

- Utility installation
- Any permits that you might need for improvements
- Home site preparation

You'll receive information about your closing

- Closing date and location
- Documents needed
- Final closing costs and down payment amounts

Insuring Your Home

Homeowner's insurance is required when you finance your new home. American Homestar Mortgage requires a minimum 12-month prepaid policy. Our affiliate, Western Insurance Agency Inc., can help you meet the minimum requirements by offering coverage through the leading companies that specialize in manufactured housing insurance. They can tailor coverage to fit your needs. If you decide to purchase your homeowners insurance through Western Insurance, you can finance your insurance policy with your loan and enjoy the benefit of one simple monthly payment.

Be sure to ask for a no obligation quote.

When you plan to purchase or own the land you will place your new factory constructed home on, American Homestar mortgage can provide you with a conventional mortgage. This is exactly the same financing used for site-built homes and it offers many benefits.

- Since you would typically receive a lower interest rate than you would with a "home only" loan, you could save thousands of dollars.
- Since your home is permanently placed on your property it may appreciate more rapidly.
- As real estate, your home may qualify for less expensive homeowners insurance.
- Homebuyers with limited credit or special credit situations often qualify for FHA real estate financing.

