First-Time Homebuyer Webinar 2024

BANKING SIMPLIFIED. LIFE MAGNIFIED.





WHO WE ARE



- Serving our members since 1969
- Began as a single branch serving the needs of Penfield School District employees
- We now have 5 branches and are owned by over 15,000 members
- Aim to provide secure and innovative financial services to our members



WHY CHOOSE FFCU

- Non-profit organization focused on our members needs
- Lower PMI rates than large retail banks
- FAST turn around times
- Service oriented we are "people helping people reach their financial goals"
- LOCAL, LOCAL, LOCAL!



COMMON TERMS

Appraisal	A report made by qualified appraiser setting forth an opinion or estimate of value. The term also refers to the process by which this estimate is obtained.			
Contingency	A clause in a purchase contract stating conditions that must be met in order for the contract to be binding. For example: The sale of a home can be contingent upon the buyer obtaining financing.			
Home Inspection	An examination of the structure and mechanical systems to determine a home's quality, soundness and safety; makes the potential homebuyer aware of any repairs that may be needed.			
PMI (Private Mortgage Insurance)	Insurance written by an independent mortgage guaranty insurance company that protects the mrotgage lender against loss incurred by a mortgage default, enabling the lender to lend a higher percentage of the sales price			
Points	Fees paid to lenders. 1 point = 1 percent on the loan amount. On a \$100,000 loan, 1 point is \$1,000. Points may be further classified into origination points or discount points			

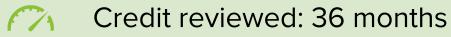


CREDIT REQUIREMENTS

Minimum Credit Score: 620

Credit score for lowest possible costs: 740

Minimum active trade lines: 3





DOWN PAYMENTS

Conventional	FHA	SONYMA	USDA	VA
 Regular Conventional Loan: 3% - 5% of sale price Home Ready Mortgage: 3% of sale price Requirement to avoid PMI Payment: 20% of sale price 	 3.5% of sale price Mortgage insurance is mandatory on all FHA Loans 	• 3.00% of sale price	• 0.00%	 0.00% No Monthly Mortgage Insurance Premium



COSTS TO CONSIDER

Attorney Fees	Attorneys are required in NYS, fees vary		
Closing Costs	osing Costs 2.5% - 4.5% (credit & loan dependent)		
Down Payment	Typically, at least 5%		
Homeowners Insurance	1 st years premium		
Property Inspection	Optional		
Taxes	2.5% - 4.5% of the purchase price (town dependent)		



MORTGAGE PROCESS (1 of 2)

- **1. Pre-Approval:** Income + credit are reviewed. A pre-approval letter is generated specifying a mortgage amount that you are pre-approved for based on certain conditions.
- 2. Purchase Offer, Realtor, Attorney: Once you've found a home you want to put an offer on, you'll work with your realtor to write a purchase offer and your attorney to review and approve the written contract.
- **3.** Inspection (optional): If elected, once completed please send the inspection release to Family First. *Remember: Inspection is <u>not</u> the same as an appraisal!!!*
- **4. Application:** After you and the seller agree to a purchase offer, you should contact your mortgage consultant to submit a formal application.



MORTGAGE PROCESS (2 of 2)

- **5. Appraisal:** The credit union will send an appraiser to the property to determine the current market value of the property.
- 6. Mortgage Commitment: A mortgage commitment (approval) will be issued by the credit union. Be sure to read all conditions of your commitment!!!
- 7. Closing: Once all conditions of the commitment have been met, the credit union will clear your file for closing. Then, it's up to you and your attorney to schedule your closing.
- 8. Move into your new home!!

WHAT TO DO

WHAT <u>NOT</u> TO DO



- Work with your mortgage originator to provide all necessary documentation to support your mortgage application as soon as possible.
- If purchasing a home with a First-Time Homebuyer grant, it is imperative that we process the file as soon as possible. Note: Grant funds cannot be requested until you have provided your mortgage originator with all required documentation!

- Apply for new credit during the application process, creating additional credit inquiries
- × Delay in submitting your loan application
- Increase credit usage (which will require us to reduce your loan amount)
- × Make large deposits that are not easily verifiable
- Change jobs or income sources without discussing with Family First beforehand
- Notify Family First of any income increases or decreases
- Don't worry if we request additional documentation!
 This doesn't mean your file is getting adversely reviewed - just that the mortgage underwriter needs some clarification on documents already received.



MEET OUR TEAM (1 of 3)





Julie Vella Senior Mortgage Originator

585.586.8225 x119 julie.vella@familyfirstny.com Ron Kraft Mortgage Originator

585.586.8225 x335 ronald.kraft@familyfirstny.com



MEET OUR TEAM (2 of 3)





Bill Hollifield *Mortgage Underwriter*

Handles mortgage approval process and works directly with the credit union attorney

Lisa Wille Mortgage Processor

Handles mortgage processing from application to closing



MEET OUR TEAM (3 of 3)



Alice Hooker Mortgage Servicer

Handles your mortgage after your closing



Colleen Perry-Curcio Mortgage Manager

Oversees the mortgage department to ensure a smooth process from application to closing

FIRST-TIME HOMEBUYER GRANTS & ASSISTANCE



HOMEBUYER DREAM GRANT

\$19,500 to go towards the down payment, closing costs, and/or taxes

\$500 defrayment cost to a non-profit agency for homebuyer education



Must take a HUD approved First-Time Homebuyer education course



Income must qualify based on the total members in the household



Must provide the last 30 days of paystubs of qualifying income for the grant submission



SONYMA MORTGAGES

Achieving the Dream Program and Low Interest Rate Program

- **1** 30-year fixed-rate mortgage
- Minimum Down Payment: 3%

120-Day Rate Locks

- Minimum Required Borrower Cash Contribution: 1% of the purchase price
- Can be combined with down payment assistance loan of 3% of the purchase price OR a minimum or \$3,000.

SONYMA allows unlimited grants in addition to their down payment assistance loans!



PATHSTONE GRANTS

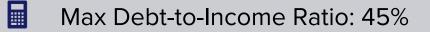
•••	Down Payment Assistance	Loans	up to	\$5,000
-----	-------------------------	-------	-------	---------

Mominimum Credit Score

Minimum of 3 tradelines

\$ This grant requires pay back - interest rate is the same as the mortgage rate

Payback term: 1-5 years amortization Max Debt-to-Income Ratio: 45%





PATHSTONE CLOSING COST LOAN



Can be used for down payment, closing costs and taxes



Loan is secured to the property



Must complete an approved First-Time Homebuyer education course



Loan can be combined with other grants and down payment assistance loans



SHEEN HOUSING GRANT

💼 U	p to \$	3,000 fo	r closing	cost	assistance
-----	---------	----------	-----------	------	------------

No interest but requires repayment - \$50/month for 5 years



For First-Time Homebuyers (haven't purchased a home in the last 3 years)



Must be a single-family home



Must complete an approved First-Time Homebuyer education course

QUESTIONS?