nobul FUNDING

2022 PURCHASE PACKET

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WE'RE NOBLE.
THAT'S THE DIFFERENCE.

TABLE OF CONTENTS

INTRODUCTION

A NOBUL IDEA

NOBUL FUNDING WAS FOUNDED ON THE PRINCIPLES OF HONESTY (NOBLE) AND UPFRONTNESS (NO B.S.)

IN THE 15+ YEARS, FOUNDER, VISHAL DUDHEKER HAS BEEN IN THE MORTGAGE INDUSTRY, HE HAS SEEN THE COUNTLESS TIMES PEOPLE HAVE BEEN LEFT NERVOUS AND CONFUSED AFTER TRYING TO WORK WITH THE BIG GUYS LIKE LOAN FACTORIES AND BANKS.

VISHAL REALIZED THERE WAS A NEED TO CREATE A COMPANY THAT WOULD PERSONALIZE YOUR MORTGAGE EXPERIENCE AND NOT MAKE YOU FEEL LIKE ANOTHER NUMBER.

VISHAL HAS HAS HELPED THOUSANDS OF CLIENTS OVERCOME THESE FEARS BY PROVIDING THE MOST TRANSPARENT AND HONEST MORTGAGE EDUCATION TO SO THEY CAN MAKE THE RIGHT FINANCIAL MOVE.

AT NOBUL FUNDING, WE ARE MORTGAGE BROKERS, THAT PRIDE OURSELVES ON GIVING IT TO YOU STRAIGHT AND PROVIDING YOU WITH ALL THE TOOLS AND INFORMATION YOU NEED TO MAKE THE BEST MORTGAGE DECISION FOR YOU AND YOUR FAMILY.

OUR ROLE IN THE PROCESS

OUR RESPONSIBILITY IS TO FIND YOU THE RIGHT LOAN THAT FITS YOUR SPECIFIC NEEDS, AND TO GUIDE YOU THROUGH THE STEPS OF PURCHASING A HOME IN A SEAMLESS AND EASY WAY.

REAL ESTATE AGENT

- FIND YOUR HOME
- NEGOTIATE TRANSACTION
- COORDINATE INSPECTIONS & PAPERWORK

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- DETERMINE LOAN TYPE
- STRUCTURE LOAN
- GATHER DOCUMENTS
- GUIDE THROUGH FINANCING PROCESS

ESCROW/TITLE COMPANY

- SIGN CLOSING DOCUMENTS
- COMPLETE FUNDING
- RECORD TRANSACTION

EXPECTATIONS

EXPECTATIONS

WE WANT TO CLOSE LOANS ON TIME AND WITH EASE.
TO DO SO, WE ASK THAT OUR CLIENTS HELP US OUT IN TWO WAYS:

NOBLE FUNDING IS HERE TO WORK FOR YOU.

COMMUNICATE

Let us know of any life changes such as employment, purchasing a car, applying for new credit cards, etc.

REACT

The real estate and mortgage industry can move quickly. We will rely on your timely responses to ensure we can continue to move forward with the loan.

HOW WE COMMUNICATE

We will send weekly updates on the loan process through a status email, video or phone call. If you have any questions or are unclear about anything during the process, please call or email us. Our goal is to make sure you understand every step of the way.

PROCESS

STEP BY STEP

JUST LIKE ALL HOMES ARE DIFFERENT, ALL LOANS ARE DIFFERENT. BELOW IS THE TYPICAL FLOW OF THE LOAN PROCESS, BUT STEPS MAY DIFFER BASED ON LOAN TYPE OR OTHER CIRCUMSTANCES. GENERALLY, THE FLOW TAKES ABOUT 20-30 DAYS FOR A PURCHASE TO COMPLETE.

1. APPLICATION & INITIAL MEETING
2. INITIAL DOCUMENTS
3. PRE-APPROVAL
4. ACCEPTED OFFER
5. LOAN ESTIMATE
6. ORDER APPRAISAL
7. RATE LOCK
8. UNDERWRITING
9. CONDITIONAL APPROVAL
10. FINAL APPROVAL
11. CLOSING DISCLOSURES
12. SIGNING & FUNDING

DO'S & DON'TS

BELOW ARE SOME TIPS FOR MAKING THE PROCESS JUST A LITTLE BIT EASIER AND PREVENTING ANY ISSUES THAT MAY ARRIVE DURING THE CLOSING PROCESS.

DO'S ✔

- ✔ USE YOUR ACCOUNTS AS NORMAL.
- ✔ PROVIDE REQUESTED DOCUMENTS IN A TIMELY MANNER.
- ✔ PAY BILLS ON TIME.
- ✔ CONTACT US WITH ANY QUESTIONS.

DONT'S ✖

- ✖ CHANGE JOBS, QUIT YOUR JOB, OR BECOME SELF-EMPLOYED.
- ✖ SPEND MONEY YOUHAVE SET ASIDE FOR CLOSING.
- ✖ USE CREDIT UNREASONABLY OR MAKE LATE PAYMENTS.
- ✖ CHANGE BANK ACCOUNTS.
- ✖ DEPOSIT LARGE SUMS.
- ✖ HAVE INQUIRIES INTO YOUR CREDIT.
- ✖ MAKE LARGE PURCHASES (CAR, APPLIANCES, FURNITURE, ETC.).
- ✖ CLOSE ANY ACCOUNTS.

DOCUMENTS & TOOLS

DOCUMENTS

ONE OF THE MOST TIME-CONSUMING STEPS IN THE LENDING PROCESS IS FINDING & FILING ALL THE DOCUMENTATION THAT WE MAY NEED TO QUALIFY YOU FOR A LOAN.
THIS IS NEEDED TO CORRECTLY CALCULATE INCOME AND MITIGATE RISK OF THE LOAN.

PAPERWORK WE MAY NEED...

- BANK STATEMENTS
- TAX RETURNS
- PAY STUBS
- BORROWER'S AUTHORIZATION
- LARGE DEPOSIT OR CREDIT INQUIRY LETTERS

MORTGAGE TOOLS

WE WANT TO MAKE IT SIMPLE BY GIVING OUR CLIENTS THE TOOLS TO HELP THEM MAKE INFORMED DECISIONS AND KEEP THEM COMPETITIVE IN RESPECT TO TIMING.

UNDERSTAND YOUR MORTGAGE PAYMENT

Your Mortgage Payment (PITIA) is made up of a few factors. Below is an example of a breakdown of what is included. Use this as a guide to understand exactly where your money goes each month.

PAYMENT & INTEREST	$1 ,300
PROPERTY TAXES	$475
HOMEOWNER'S INSURANCE	$60
MORTGAGE INSURANCE	$175
HOMEOWNER'S ASSOCIATION FEES	+ $25
TOTAL MORTGAGE PAYMENT (PITI) =	**$2,035**

PAYMENT RULE OF THUMB

A quick rule of thumb in determining your monthly payment based on the cost of the home goes:
For every $10,000 in price change, the monthly payment changes by about $50. This goes both ways, whether the change in price increases or decreases.

$10,000 PRICE CHANGE
PAYMENT CHANGES BY ~$50

$5,000 PRICE CHANGE
PAYMENT CHANGES BY ~$25

TERMS

INDUSTRY TERMS

THE MORTGAGE INDUSTRY HAS A LOT OF BIG WORDS AND FANCY ACRONYMS. IT'S IMPORTANT TO UNDERSTAND EVERYTHING THAT WE'RE DISCUSSING BECAUSE, WELL, IT'S YOUR MONEY WE'RE TALKING ABOUT. HERE ARE THE A-Z'S OF THE MORTGAGE INDUSTRY.:

AMORTIZATION

With each mortgage payment, some of the money reduces the loan balance and some pays interest. This allocation is called amortization. While the earliest payments mostly cover interest, the split changes over time. That's because as the loan gets smaller, less interest gets charged.

ANNUAL PERCENTAGE RATE (APR)

There are two sets of numbers to pay attention to when looking at a mortgage, the interest rate and Annual Percentage Rate (APR). APR includes the interest with any other fees included.

APPRAISAL OR APPRAISED VALUE

An expert estimate of the value of a property. Used during buying, selling, or refinancing a property.

CLOSING COSTS

Closing Costs is the amount of money you need to close the deal. These costs could include title insurance, escrow fees, lender charges, real estate commissions, transfer taxes, recording fees, & origination fees.

COMPARABLES (COMPS)

Properties similar to the property under consideration for a mortgage that are approximately the same size, with similar location and amenities that have recently been sold.

CONFORMING LOAN

A mortgage that has the standard features as defined by Fannie Mae and Freddie Mac.

CONTINGENCY

A specified condition in a sales contract that must be satisfied before the home sale can occur. The two most common contingencies are that the house must pass inspection and the borrower must get approved for the loan.

CREDIT REPORT

A record of a person's debts and payment habits used to determine whether or not a potential borrower is a good business risk.

CREDIT SCORE

A number that rates the quality of a person's credit.

DEBT TO INCOME (DTI)

Debt to income ratio is the amount of monthly obligations reported on a credit report compared to your monthly income. Simply take your total debt figure and divide it by your income. For instance, if your debt costs $2,000 per month and your monthly income equals $6,000, your DTI is $2,000 ÷ $6,000, or 33 percent.

DEFAULT

Failure to make mortgage payments on time or to meet other terms of a loan. Default can lead to foreclosure.

DOWN PAYMENT

The amount of cash you pay toward the purchase of your home to make up the difference between the purchase price and your mortgage loan.

EARNEST MONEY

This is the money you give the seller to show you're serious about the purchase. It's usually 3-5% of the cost of the home. The money goes into escrow until financing is arrange and will be credited towards the purchase price. If the buyer backs out after the contigency period, the seller can keep your money.

EQUITY

This is the difference between what you own on your home and the market value of that home. Equity builds as you pay down the mortgage. You can also tap into the equity in the form of a home equity loan or reverse mortgage.

ESCROW

In a real estate transaction, a neutral third party called escrow handles money for buyers and sellers. If you put down earnest money, for example, it goes into escrow until the purchase is complete. Another example of escrow is the account your lender sets up for homeowners insurance and property taxes. A portion of each mortgage payment goes into the account.

LOAN TO VALUE (LTV)

The remaining loan amount compared to the home value. This is shown as Loan Amount divided by Purchase Price (Value). For instance, if your loan amount is $320,000 and your value equals $400,000, your LTV is $320,000 ÷ $400,000, or 80 percent.

MORTGAGE INSURANCE

In the case of default, mortgage insurance protects the lender. Generally it's required for borrowers who put down less than 20%. There are three main types: (CONTINUED ON NEXT PAGE)

1. LENDER PAID (LMPI)

An option for conventional loans only. The mortgage insurance is paid through the rate. This results in an overall lower payment because there is not a separate mortgage insurance payment. LPMI has an overall lower payment than the other options, but because it is built into the rate, it can not be removed.

2. MONTHLY MORTGAGE INSURANCE

The mortgage insurance is paid monthly and is included in the overall payment (PITI). The monthly fee will automatically drop when the loan goes to 78% Loan to Value (LTV). This is calculated based on the original balance of the loan, and may take a few years to accomplish. This is true for conventional loans. All government loans require some sort of monthly mortgage insurance.

3. SINGLE PAID PREMIUM

A lump sum of money can be paid to the mortgage insurance company to avoid a monthly payment. This is paid at closing. This option is available for conventional loans and does not apply to government loans.

PRE-APPROVAL

Obtaining pre-approval means that the lender has checked out your income, debts, anticipated down payment, credit score, job history, etc. and will provide a letter that you are qualified up to a certain amount. This can help in a buying situation because it lets sellers know that you're serious.

PRINCIPAL

The principal is the amount you borrowed. A portion of each mortgage payment goes to principal and another portion goes to interest. As you pay down the principal, your equity in the home grows. You can make extra payments directly towards principal to help pay less interest over the life of the loan.

RATE

This is the cost (in percentage) you pay to borrow the money. It does not include any other charges associated with the loan. Interest rate is influenced by factors such as credit score, type, loan length, down payment, and price of home.

RATE LOCK
Because of the changeable nature of interest rates, some home buyers opt for a rate lock. This means that the interest rate won't change between the day you make your offer and the day you close on the home. Generally the rate lock period runs from 30 to 60 days.

RECORDING
This entails filing your deed and/or mortgage with your county. The document is dated and time stamped which may then be uploaded to to a web site available to the public. Recording fees are to be paid at closing once final document are signed.

SELLER CONCESSIONS
In a purchase transaction, it is possible for the seller to accept and pay for the buyer's closing costs.

TITLE COMPANY
The agency that will investigate a property's title (or deed) for discrepancies or undiscovered liens and that will issue title insurance to the lender after the title is deemed clear.

TITLE INSURANCE
Two types of title insurance exist: lender and owner. Both guard against any disputes about the title, such as tax or contractor liens. Lenders usually require home buyers to have lender's title insurance. Having owner's title insurance protects you against future claims.

UNDERWRITING
This is the review of your loan application to see if it should be approved. Underwriting is part of the lender's origination fee. Among other things, it takes into account your credit history, income, assets and liabilities and the appraisal of the home you want to buy. Based on the underwriter's findings, the loan will be approved or denied.