

Our Real Estate Loan Process

**We know the process of purchasing a home or refinancing an existing real estate loan can seem confusing.
It's likely the largest and most complex transaction you'll ever complete.**

**We've outlined, below, a summary of our process so that you will be more informed about what to expect.
Still have questions? Ask us!**

**Oh, and if you have an especially complex transaction, the process may take longer than what is represented here. Special circumstances involve self-employed borrowers, multi-party purchase transactions, involvement of trust entities, etc.
YOUR ACTUAL EXPERIENCE MAY VARY.**

START HERE
www.bournscu.coop

For fastest service, complete our online loan application you'll find on the Loan Programs page of our website. This will make it easier for us to process your loan application quickly.

HELP US HELP YOU
befcu@bourns.com / 877-426-8767 / 951-781-5600 / (fax) 951-781-5452

We may have questions for you, so please be ready for us to contact you shortly after your application has been submitted, usually within 24 hours. If your application wasn't complete, it will hinder our ability to begin processing your application promptly. Also, feel free to stay in touch to get a status of your loan request.

EXPECT TO KNOW WHAT IT WILL COST VERY EARLY ON

Within 3 days of your application being complete, you will receive from us important disclosures about how much your loan will cost you. We pride ourselves on low closing costs. See and compare our costs to those of brokers. You'll be glad you did.

STAY TUNED FOR MORE TO COME ITS NOT ROCKET SCIENCE, BUT THERE IS A SCIENCE TO IT

The rest of the process is about getting supporting documentation for the information you included in your application. This process usually takes 25 days or more, depending on the complexity of your transaction. During this stage we verify information about your property, reviewing the risks associated with the transaction and determining whether or not protections are in place to secure our member/owners' interests. Here's a summary of the process.

1. Reviewing loan risks
 - a. Credit risk - your history of paying bills on time (through a credit report)
 - i. Underwriting review - **Prequalification** - after we pull your credit report, we'll pre-qualify you for the loan. If you need a letter for your escrow, agent or seller, let us know. We'll probably be completing the loan assuming that no substantive changes or deviations from your original request are found through the rest of the application process.

- b. Title risk – your property’s title history and claims (through a title search)
 - c. Security risk – your property’s value (through an appraisal)
 - d. Hazard risk – your property’s insurance and presence of potential flood loss
2. Verifying application data
 - a. Verifying income and employment
 - b. Verifying existing mortgages and other loans
 - c. Verifying deposits, investments, savings, and sources of earnest monies.
 3. **Final underwriting review** – this happens after we’ve received the property appraisal, title search and flood determination and verified the information in your application. It’s the last step to ensure that we are getting what we thought we were when you submitted your application and we gave you a prequalification.

Throughout this process we will likely be asking you to complete forms and sign documents authorizing us to confirm information in your application.

**YOU’RE ALMOST THERE, BUT NOT QUITE
BEFORE WE CLOSE, YOU MUST SIGN DOCUMENTS AND WAIT A LITTLE WHILE LONGER**

We’ve decided we like the loan and are comfortable with the risks and are ready to give you your monies. But we can’t until

1. You sign on the dotted line, and
2. In the case of a refinance, we pass through the official rescission period of 3 days. This is your final chance to back out of the transaction.

**JUST WHEN YOU THOUGHT THERE COULDN’T BE ANYTHING MORE
THERE’S MORE**

Now it’s time to fund. But typically this isn’t as easy as you might think. Escrow companies are usually involved in real estate transactions and an additional 2 – 5 days will be added to the process in order for the escrow company to get funds from us and disburse them as instructed to do so.

**BUT WAIT, THERE’S MORE
NOW COMES THE SERVICE PART OF THE TRANSACTION**

So you are moved in and starting to enjoy the joys of home ownership. But we’re still working for you.

1. We’ll set up automatic payments for you, provide you with coupons or whatever you need in order to make your monthly payments as easy as possible.
2. We’ll also provide you with regular statements showing your payment history and how funds were applied.
3. On at least an annual basis we’ll want to verify that property taxes are paid and insurances are being maintained at agreed upon levels.
4. We’re always available to answer your questions about your loan.
5. After year-end, we’ll send you a summary of interest paid for the year so you’ll be ready to file your taxes.

**WHEN IT’S TIME TO MAKE IMPROVEMENTS, THINK OF US FIRST
FOR AN EQUITY LOAN OR LINE OF CREDIT.**

