

# Vanderbilt Mortgage Guide to **HOME FINANCING**

We believe homeownership makes lives better



# Welcome to the **Home Financing Journey**

Vanderbilt offers a variety of programs for financing a manufactured home including **Home Only loans, Land-Home mortgages, FHA mortgages,** and **Bi-weekly Advantage Mortgages.** Whether you are a first-time homebuyer or have less than perfect credit, we have a financing solution for you! All loan programs are subject to credit approval.

We are a national housing lender specializing in manufactured, modular and mobile home financing. We have been in business for more than 40 years and have helped families just like yours find the right home loan for the home of their dreams.

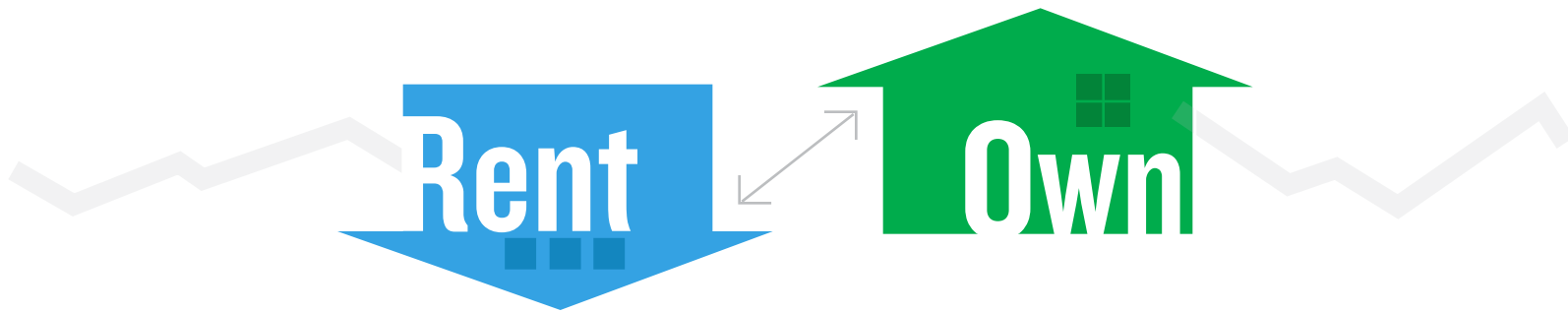
To kick start your journey to homeownership, we've broken down the home loan process to help you get a better understanding of what lies ahead. This guide will offer explanations of the home loan process and tips to help you prepare for your home loan journey from completing your application to closing on your home and beyond.



# Benefits of Home Ownership

## Why rent when you could own?

There are several benefits to renting such as the flexibility to move as needed and there is typically less maintenance and yardwork involved. However, owning a home also has several great benefits!



### 1 OWNERSHIP

When renting, 100% of the rent payment goes straight to the landlord meaning you are paying the equivalent of 100% interest to the landlord. A typical mortgage payment consists of both interest and principal payments with the principal applied toward reducing the loan balance. Eventually those mortgage payments will result in full ownership of a home unlike rental payments which are not applied toward the purchase of a home.



### 2 FLEXIBILITY

Whether it's owning a pet, making renovations or even something as simple as painting the walls, a lot of lease agreements restrict what a renter can do with and in the rented living space. As a homeowner, you would have the freedom to change aspects of your home whenever you want, however you want.



### 3 OUTDOOR SPACES

Gardens, grills, hammocks, outside pets, a tire swing in the backyard—these are things that may not be allowed when renting. You will have much more freedom when it comes to customizing your outdoor living spaces to suit your family's needs, dreams and desires as a homeowner!

# Preparing For Home Ownership



## Step 1: Knowing what you can afford

To decide if you are ready for an added mortgage payment each month, determine your debt-to-income ratio by adding up your total monthly expenses then subtracting that from your total monthly income. Do you have enough leftover each month for a mortgage payment?



## Step 2: Adjust your budget

As you consider beginning your homebuying journey, it will be beneficial to start altering your budget for a new mortgage payment. Cut unnecessary expenses, plan ahead for unforeseen costs that may arise and be aware of your spending habits.



## Step 3: Save for a down payment

Many types of mortgages may require a sizeable down payment in order for you to qualify for financing, so saving for a down payment as you prepare yourself for ownership can be very beneficial. These savings tips can assist you in saving up for your down payment on your dream home

- Set a realistic savings goal
- Use your future home as incentive
- Create a savings plan
- Earn extra income

View the full Guide to Down Payments on [vmfhomeloan.com](http://vmfhomeloan.com) for more down payment savings tips.



## Step 4: Build your credit

A higher credit score and clear credit history may help increase your ability to obtain better loan terms, like lower interest rates and mortgage payments, by decreasing your level of borrower risk. A few ways you can improve your credit include.

- Be aware of how often you use your credit cards
- Open a checking and/or savings account
- Pay your bills on time
- Minimize outstanding debt

For more ways to improve your credit, view the full Guide to Credit on [vmfhome-loan.com](http://vmfhome-loan.com).



## Step 5: Visit a Home Center

Aside from preparing yourself financially for the decision to buy, visiting a home center to select your dream home is one of the most important steps toward preparing for homeownership. Visiting one of the over 300 Clayton Homes family of brands Home Centers across the U.S. will help you to have a better understanding of what exactly you're looking for in your new home and pricing.



# Applying for a Home Loan

Our online home loan application is quick, easy and secure. You will need the following information on hand in order to complete your online application:



## CHECK LIST

- ☐ Social Security number of applicant (and co-applicant, if applicable)
- ☐ Current employment and income information
- ☐ Date of birth
- ☐ Best phone number where you can be reached
- ☐ Email address
- ☐ Current street address and mailing address

Other information may also be necessary to complete your home loan application.

### ▶ What does “conditionally approved” mean?

Once you have completed your online application, your application will be reviewed by a licensed loan specialist and you may receive a conditional approval. Being conditionally approved means that your loan application has not yet cleared for final approval. Information provided by your online application and credit report must first be verified and additional information may be needed in order to make a final decision on your loan application. If you receive a conditional approval, you will receive a call from our Credit Services department with your next steps.

## The Home Loan Process:

# What To Expect

It is important to keep in mind during your journey toward financing your dream home that the mortgage process, and the homebuying process in general, is not typically fast paced. It can take time to finalize everything and get into your new home, but it will be well worth the wait!

## Helpful Resources Available Along the Way to Homeownership

There are several resources available to you to help you get through the home loan process.

## FIRST TIME HOMEBUYERS

BEFORE YOU DIVE HEAD FIRST INTO HOMEOWNERSHIP, EDUCATE YOURSELF ON HOW TO BE MORTGAGE-READY.



# Making the **Most** of your **Mortgage**

Once you've selected your dream home, been approved, closed on your home and moved in, it is important to manage your mortgage well and stay up to date on your payments. To better manage a mortgage account, be sure to:



## **Keep up to date on payments**

Set a recurring calendar reminder on your computer or smart phone to make sure your payments are made on time.



## **Understand how payments are applied each month**

Your required monthly payment amount and payment due date can be found on your loan contract and on your monthly mortgage statements.

When a payment is received it is applied according to the terms of the mortgage documents to the interest and principal that is due, any required escrow, and late charges, advances and service fees that are due if applicable.



## **Payoff your mortgage earlier**

Making extra payments toward your principal loan balance can shorten the term of your loan and help you reduce the amount of total interest you will pay on your loan. Small additional principal payments, even rounding your monthly payment up to the nearest \$10, can help make a difference!





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