

Who's Who in Housing

Buying a house is a personal decision, but you may be surprised at the number of people who could be involved in your home purchase. Here are the real estate professionals you may meet as you shop for a new home, qualify for a mortgage and close on your loan:

Appraiser

The appraiser determines the market value of the house you've chosen, based on its condition and the selling price of comparable homes recently sold in the area. This estimate helps the lender decide a reasonable loan amount for the mortgage. You shouldn't expect an appraiser to uncover a home's defects; that's the inspector's job.

Closing Agent

Your closing agent is responsible for ensuring that all closing documents have been completed properly, including those related to the title search and title insurance.

The closing agent will not give you legal advice or provide an opinion on whether the documents are proper or in your best interest. You will need your attorney to do that for you. The closing agent will explain what the closing documents are to you and the seller, obtain your signatures and record the documents with the appropriate

local governments. He or she also will collect the transaction fees and give them to the appropriate parties.

Lender

Banks, savings and loans, and mortgage companies lend money to homebuyers. Your lender will ask you to fill out a loan application form that includes information about your income, employment and debts. The lender will verify this information.

Loan Servicer

After the loan closes, the loan servicer collects your payments and manages late payments. Lenders often "release" servicing to another organization, which means that you won't necessarily send your mortgage payments to the same company that made your loan. Your lender will notify you of the correct address for sending your payments.

Mortgage Insurer

Mortgage insurance makes it possible for lenders to offer mortgage loan options with only a small down payment. If for some reason you can no longer make your payments, mortgage insurance helps cover the lender's losses.



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Mortgage Investor

You're not likely to meet the Mortgage Investor, but it's good to know what they do, because there's a 75% chance that your mortgage loan will be sold to a mortgage investor. Selling loans gives the lender more money for future lending activities. If your loan is sold to an investor, it won't affect any of the terms of your mortgage. Your loan amount, interest rate and payment amount will remain the same.

Property/Mechanical Inspector

For a fee, a qualified inspector will examine the home you've chosen, from basement to attic. The inspection includes an evaluation of the home's plumbing, electrical work, appliances, the furnace and/or air conditioners, roof and structural stability. Some lenders require a home inspection, and it's a good idea to get one, because it could save you thousands of dollars in future expenses. Knowledge of the house's flaws also may help you negotiate a better price on the house.

Real Estate Agent/Broker

When you first start looking for a home, you may want to contact a real estate company in your area. (The classified section of your local newspaper will list real estate companies in the housing section.) A real estate professional can show you available houses in your price range that meet your personal needs. Find out whether the broker is representing you or the seller, or both. This is important to know when you're negotiating a purchase price. If you decide to make an offer on a home, the agent/broker will present your offer to the seller.

State or Local Housing Finance Agency

Some government agencies provide valuable housing assistance to low- and moderate-income homebuyers and renters. To find out more about these programs, ask your real estate agent or lender.

