Amber Moser
MORTGAGE LOAN OFFICER
Guiding You Home.

GERSHMAN MORTGAGE

THE MORTGAGE CHEAT SHEET

The numbers, terms and documents worth knowing before you buy.

START HERE: Know your comfortable payment, estimated cash to close, rate + points, and what has actually been verified.

THE 5 NUMBERS

1. Comfortable payment
Your budget and your maximum approval are not the same number.

2. Cash to close
Down payment + closing costs + prepaids - eligible credits/deposits.

3. Loan amount
Purchase price minus down payment, adjusted for financed program fees when applicable.

4. Rate + points/credits
A rate without the cost attached is incomplete information.

5. Break-even
If you pay extra upfront, know how long the monthly savings need to recover it.

PAYMENT LANGUAGE

P&I
Principal and interest.

PITI
Principal, interest, taxes and insurance. Check MI and HOA too.

PMI / MIP
Conventional private mortgage insurance / FHA mortgage insurance.

Escrow
Account used by the servicer to collect and pay taxes and insurance when applicable.

Points
Upfront cost for a lower rate. One point = 1% of the loan amount.

APPROVAL + UNDERWRITING

Prequalification
Early look; may not be fully documented.

Preapproval
Application, credit, documents and underwriting review when applicable.

TBD underwriting
Borrower underwriting before a property is selected, when available and useful.

DTI / LTV
Debt-to-income ratio / loan-to-value.

AUS / CTC
Automated underwriting system / clear to close.

DOCUMENTS + CLOSING

LE
Loan Estimate: early loan terms, payment and estimated costs.

CD
Closing Disclosure: final loan terms and closing-cost information.

Note
Your promise to repay the loan.

Mortgage / deed of trust
The security instrument creating the lien against the property.

Cash to close
Final amount due after all transaction credits and adjustments.

ONE RULE THAT PREVENTS A LOT OF PROBLEMS

Ask before you move money, open credit, change jobs, co-sign, pay off accounts or make a major purchase while you are in the mortgage process.

Amber Moser | Mortgage Loan Officer | NMLS #1996946
Gershman Mortgage | NMLS #138063 | Equal Housing Lender | mortgagewithmoser.com

EQUAL HOUSING LENDER

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