

FIRST TIME HOME FINANCING FAQS



If you're a first-time home buyer, you probably have some questions about the lending process. To help you navigate the process, we asked our preferred lender, Sean Hadley with Cross Country Mortgage, to answer some frequently asked questions.

WHAT GOES INTO THE UNDERWRITING PROCESS?

Underwriting is responsible for reviewing all details of the loan application to determine if the file meets loan guidelines. The underwriter has the authority to approve the loan. There are typically two reviews by underwriting. An initial review, an approval with conditions, and then a final review to clear all conditions.

WHAT IS A TYPICAL INTEREST RATE?

Interest rates will vary with each program and can vary with the characteristics of each borrower. Loan type, down payment, credit score, and property type are all variables that determine a buyer's interest rate.

DOES PULLING MY CREDIT REPORT HURT MY CREDIT SCORE?

Pulling a credit report will show as a credit inquiry. The impact the inquiry has on a credit report varies with each borrower. The good news is that once the credit report is pulled, it is valid for 120 days. Additionally, the buyer has a 14 day "shopping window" to have multiple inquiries with mortgage lenders without it counting as multiple hits against the credit score.

DO I NEED 20% DOWN TO BUY A HOME?

No, 20% down is not a requirement for most owner-occupied homes. Depending on the program and the property type, the down payment may be as low as 3%, or 3.5% down. There are even a few \$0 down options for specific programs.

HOW LONG DOES IT TAKE TO CLOSE?

Cross Country's process internally is to move files through the loan process in 21 days. If a buyer is qualified, 21 days is a very achievable goal. It is a team effort between Cross Country, the Realtor, and the buyer.

WHAT IS THE BEST LOAN PROGRAM FOR ME?

A consultation with your loan officer is the best way to find out what loan program may be best for you. We will educate you about the options available and the characteristics of each loan option. We can help evaluate the pros and cons of each one and help you choose the loan right for you.

WHEN DO I HAVE TO LOCK IN MY INTEREST RATE?

Cross Country Mortgage can lock in a rate as soon as a buyer is under contract. A buyer has the option to lock or "float" the rate and lock in any time between application and up to 7 days before closing.

HOW QUICKLY WILL MY LOAN BE APPROVED?

Cross Country files are typically turned into underwriting within 3-5 days of receiving the signed application from the borrower. In some cases, this can be expedited, depending on how quickly and how complete the buyer's income and asset documents are.

WHAT DIFFERENTIATES CROSS COUNTRY MORTGAGE FROM OTHER LENDERS?

Cross Country is a national company but local, headquartered in Brecksville, Ohio. They have an array of loan programs to fit your needs, and they take the time to educate you about your options so that you have the knowledge and comfort to make the financing decision that is best for you.

