



First Home. Or Dream Home.

You can count on the experience of German American Bank's Mortgage Team to simplify your home loan experience.

- **\$0 to low down payment options**

Options include: USDA Rural Development Loan • VA Loan • FHA Loan

- **Monthly payment options to fit your lifestyle**

Fixed rate? Variable rate? We'll help you decide.

- **Apply in person or online at germanamerican.com**

Either way, we're going to be right there with you to select your best mortgage loan.

We'd love to lend you a helping hand.



April Bush

NMLS #763385

Mortgage Loan Originator

Cell: 812-360-5287

april.bush@germanamerican.com



Alisha Schott

NMLS #1794166

Mortgage Loan Originator

Cell: 812-821-7725

alisha.schott@germanamerican.com

Cook Rate Match Guarantee

Available to Cook employees in south-central Indiana for new purchases of primary residences with conventional conforming financing.*

Visit germanamerican.com to explore:

- [home ownership education courses](#)
- [mortgage calculators](#)



German American Bank

Banking | Insurance | Investments

Member FDIC

*Certain product exclusions may apply. Loan estimate from competing lender must be dated and received within three calendar days prior to locking your interest rate at German American Bank. The terms of the competing loan must be identical to the German American Bank loan. If the loan does not close within the commitment period, the rate match may be voided. This offer is subject to credit approval and may change or terminate without notice. Offer is not applicable to government loans, including FHA, USDA, and VA financing. Rate includes Extra Credit Mortgage discount. Contact a German American Bank mortgage loan officer for further details.





Home Loan Quickguide

Why is owning a home a good idea?

When you carefully choose your home, the payoff can be great. Each month you are building equity in a place of your own. The longer you stay in your house, the more equity you have. And, unlike most things you buy, a home can increase in value as time passes, building more equity. The mortgage interest and real estate taxes may be tax deductible, which can reduce your tax bill.

What is a budget?

A budget helps to prepare you for the purchase of a home. If you stick to a budget, you can save money for a down payment, closing costs, and emergency reserves. Be sure to save to cover moving, utility hook-ups, tools, maintenance supplies, window coverings, etc. By establishing a regular pattern in a savings account, you increase the chances of having your loan approved.

What is a credit score and how does it affect me as a borrower?

In addition to your ability to pay (as indicated by your debt and income), your credit history is reviewed. Your credit record is judged by how well you have paid your loans and other debts. When you apply, the lender will order your credit report. This shows your record of payments on loans, charge cards, and other debts. If you have never had a loan or a charge card, you may show a good record of payment on your utility bills, rent, cell phone bills, etc. for a 12-month period. Good credit is very important in qualifying for a loan.

Why should my monthly payments be automatically deducted?

When your monthly payments are deducted automatically from your checking or savings account, you reduce the possibility of late payments.

What is debt to income ratio?

This ratio, expressed as a percentage, results when your monthly payment obligation on long-term debts is divided by your gross monthly income. With a 29/41 debt-to-income ratio, 29% or less is the guideline percentage of your monthly gross income that the lender allows for housing expenses. The second number, 41 or less, is the guideline percentage of your monthly gross income that the lender allows for housing expenses plus recurring debt. See the equation below for an example:

\$3,750	Monthly Gross Income
x 29%	
\$1,088	Housing Expenses
\$3,750	Monthly Gross Income
x 41%	
\$1,538	Housing Expenses + Recurring Debt

continued...



German American Bank

Banking | Insurance | Investments
Member FDIC



What is recommended to provide to the lender at the time of application?

- Copies of current pay stubs from a recent full month.
- Copies of signed federal tax returns and W-2's from the last 2 years.
- Bank statements from the past two months for all checking and savings accounts (including CD's).

What will my lender provide me at application?

The lender will provide a Loan Estimate in good faith based on the best information reasonably available to us as early as the time of your application but no later than 3 business days after.

What is PMI (Private Mortgage Insurance)?

PMI may be required if the desired loan cannot be granted because it does not meet normal standards for the lender. The most common reason for this requirement is a down payment that is smaller than standard (usually around 20%). This insurance protects the lender from loss if a default occurs. It does not protect you, though it may allow you to qualify for a loan you could not otherwise get.

What is an appraisal?

The appraiser determines the market value of the house you have chosen, based on its condition and selling prices of comparable homes in the area. This helps the lender decide a reasonable loan amount for the mortgage. An appraiser does not uncover a home's defects - this is the inspector's job.

What is Title Insurance?

Title Insurance is evidence of ownership of property. This is needed to uncover any potential problems with title (legal ownership) to the property. If no issues are found in the search, the title company issues you title insurance. Title insurance guarantees that the property you buy is as it is stated in recorded deeds, surveys, and other documents.

What can I expect at closing?

The closing unites all parties involved in the transaction. It is usually a meeting attended by the buyer, seller, listing agent, selling agent, and settlement agent(s). The settlement agents are typically the title insurance company and the lender. Your mortgage documents are finalized and you are welcome to ask any further questions about your newly acquired dream home.

Open the possibilities
with German American Bank.



German American Bank

Banking | Insurance | Investments

Member FDIC

