

Roles and Responsibilities

Whether you are looking to buy a home or already own one, you will work with many housing professionals and it is important to understand the specific service each provides. Following are the key professionals you will work with and the roles they play:

Housing counselors are important professionals to consider when you begin the homebuying process. They will help you assess your individual financial situation and help you improve your credit to ensure that you are well-prepared for homeownership. Housing counselors can also help you if you face financial difficulties and have problems paying your mortgage on time. Seeking the assistance of housing counselors from a HUD-approved counseling agency is strongly recommended.

Loan officers evaluate your credit, financial and employment information to see if you qualify for a mortgage, and provide financing options based on your capacity. They also provide assistance in completing your mortgage application and keep track of the status during the loan approval process.

Real estate agents help you find homes that meet your specific criteria such as location, type of home and price. They also provide specific community information on shopping, schools, property tax rates and usually handle all negotiations with the seller.

Loan processors prepare your mortgage loan information and application for presentation to the mortgage underwriter. They make sure that you have included all proper documentation, that all numbers are calculated correctly and that everything is in order to ensure a timely decision on your approval.

Mortgage underwriters assess if you are eligible for the loan based on your credit history, employment history, assets, debts and other factors.

Real estate appraisers evaluate the property you are purchasing and determine how much it is worth.

Home inspectors examine the condition of the home you are purchasing, making sure you are aware of any items requiring extensive repairs, as well as general maintenance and safety issues.

Closing representatives oversee and coordinate the closing or “settlement” of your loan, record the closing documents and disperse the money to the appropriate individuals and organizations.

Mortgage lenders are the financial institutions that provide the funds for your mortgage.

Mortgage servicers are the financial institutions or entities that are responsible for communicating with you about your mortgage and maintaining your mortgage account, including collecting your monthly mortgage payments, maintaining your escrow account (if applicable) and discussing loan workout options with you if you get behind on your payments. Your mortgage lender and servicer are not necessarily the same company. Many lenders pass the servicing of your mortgage to a separate servicing company shortly after closing.

Mortgage investors purchase home loans that lenders originate and may package these loans into mortgage securities that are sold in global capital markets, enabling investors to purchase more mortgages and keep the cycle going. This recycling ensures that lenders will have the liquidity they need to lend to homebuyers.

All of these people play different but complementary roles. Knowing the role of each type of professional will make the mortgage process flow as smoothly as possible.

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