

## Types of Lending Opportunities Available at Home Life

### Home Only or Chattel

This type of loan is when the customer is buying the home by itself without using land. This type of financing typically requires a down payment of at least 5% and up to 20% of the price of the home including taxes. A higher down payment will result in a lower rate of interest and may increase your ability to buy a home.

### Land In Lieu

This type of loan is similar to a Chattel Loan only you may use owned land in lieu of a cash down payment. You may also use a combination of both land and cash for your down payment.

### Land Home

These loans are for the purpose of combining your own land or land that you wish to purchase with the manufactured home that you are buying. In this case a mortgage would be filed and property taxes will be assessed annually. The benefit of this type of loan is that customers with mediocre credit may be able to qualify. The land-home process generally takes longer than other types of loans.

### Credit Repair

Home Life also offers a Credit Repair Program for customers that do meet the minimum credit score requirements for our finance companies. These programs typically take around 35 to 45 days to complete.

## A Little About Financing

One of the most important, and confusing, decisions that people make is buying a home and taking out a mortgage to pay for the house. There are many factors that come into play for people looking to buy a house. Factors such as location, size of house and the overall costs can play important roles in the decision-making process.

But finding the house is only the first step in the process. The next step, finding a mortgage to pay for your home, is probably as if not more important in some cases. No loan, no home. The decisions you make on your mortgage will have financial ramifications for years to come. Your mortgage term and interest rate could result in thousands of dollars of savings. The upside is that refinancing can be available to lower rates and reduce terms.



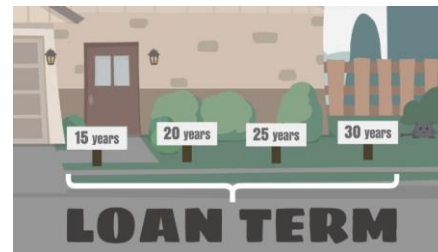
But the mortgage industry can be very confusing for most people. With the terminology used in discussing mortgages such as appraisals, equity, escrow, points and settlement costs, most common people can become easily confused. Mortgage professionals can speak in a language all of their own and the lingo used is unique. We will help take the confusion out of your mortgage process.

### Down Payment

Is the amount that the mortgage company is requiring you to pay down or what you have saved to apply to your home loan. This will or can range from zero down for great credit or a land in lieu loan (land equity) to 35% for poor credit. Typically, a chattel loan (home only) will be 5% to 20% depending on credit. Remember down payment is not a bad thing. The more you put down often will result in a lower interest rate which in turn means a lower monthly payment and less you have to pay back.

### Term

Is the length of your loan. The number of years financed. Mortgage term can range from 15 to 30 but our terms are normally 20 or 30 years.



### Monthly Payment

Is the total of all or a combination of the following; loan payment (principle and interest), insurance and taxes. If you have a government backed loan, there may be PMI (private mortgage insurance). Like with your down payment a high mortgage payment may not be a bad thing. That is as long as you comfortably budget for that payment. That higher payment maybe because you selected a short term for quicker pay off. Also remember that it is just as important to agree upon a monthly payment as it is to agree upon a home. The difference of a couple \$1,000 in the price of your home you really want will not impact your budget much. An increase of \$4,000 in options could be as little as \$29 a month in payments.

