

Mario's

FINANCIAL TIPS



MORTGAGE FINANCING

**COSTS ASSOCIATED
WITH MORTGAGE
FINANCING**

**MORTGAGE
RE-FINANCING**

**FINANCING A
RECREATIONAL PROPERTY**



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Gloria
NILSON & co
REAL ESTATE

#1 Agent in Monmouth County 2011-2012

Over \$75 million & 75 homes sold/Marketed 2012

110 Avenue of Two Rivers, Rumson, NJ 07760

WHY USE A REALTOR®?

I understand buying or selling a home is one of the largest investment decisions most people make in their lifetime. During my 21-year tenure in the industry, I've been dedicated to helping make all facets of the buying and selling process easy and successful for my clients. The most important goal for me is giving my clients a sense of confidence and security throughout the entire process.

If you are buying, I have access to many resources to assist you in your home search, even if a property is not actively advertised in the market. I can provide you with objective information about the property and the surrounding community, as well as help you negotiate price, and terms & conditions when you decide to make an offer.

If you are selling I can give you current information about the marketplace and help you set a reasonable asking price for your property, getting your home sold at the best price in a timely fashion. I advertise all my properties heavily on a wide variety of internet sites designed to drive traffic to specific listings. I will also help you evaluate incoming offers and write a win-win agreement to avoid pitfalls.

As Monmouth County's top producing real estate agent in 2012, I sold over \$75 million, and marketed/sold 75 homes last year. In June, 2013, I was named the #2 Realtor in NJ, and #116 Nationwide in sales volume by The Wall Street Journal. I would be happy to assist you with your real estate needs. For an appointment, call me at 732-881-4306.

COSTS ASSOCIATED with mortgage financing

Before you take possession of your new home you need to consider what costs there are in obtaining a mortgage in addition to your down payment and your monthly amount. At the time you apply for your mortgage loan, lenders are legally required to provide a written Good Faith Estimate (GFE) of what your closing costs will be. Knowing the specifics of your mortgage closing costs helps you better prepare for unexpected expenses and offers you much needed peace of mind.

Although it can differ from region to region, these are some of the costs you can expect to pay.

APPLICATION FEE

Many lenders charge a mortgage application fee. You usually pay this at the time you file your application. The fee covers the costs to evaluate and process your loan. It's generally nonrefundable.

APPRAISAL FEE

The appraisal is required by the lender to confirm the market value of the property you'd like to purchase. It ensures that the mortgage loan amount isn't more than the property is currently worth.

BUYER'S ATTORNEY FEE/LENDER'S ATTORNEY FEE

This fee is needed to pay your attorney/lender's attorney for preparing and reviewing all of the documents needed to finalize your mortgage loan.

CREDIT REPORT

Your credit report is a summary of your credit history that lets the lender know if you are likely to meet your monthly mortgage payments. The report helps lenders determine the risk of default should they loan you money.

FLOOD CERTIFICATION/DETERMINATION

In many cases, a flood certification is required by lenders. It determines if the property lies in a flood risk area. If it does, a flood insurance policy is required.

HOMEOWNERS INSURANCE (ALSO CALLED HAZARD INSURANCE)

Homeowners insurance protects your property from a variety of hazards. Your lender will require that you arrange for homeowners insurance, and you will be required to show proof that you have done so.

RECORDING AND TRANSFER FEES

These fees cover the cost of the paperwork required to legally record and transfer the deed to your name.

SURVEY FEE

A survey of the property may be required to verify official boundaries of the property and to ensure there aren't any encroachments from adjacent properties.

TITLE SEARCH AND TITLE INSURANCE FEES

A title search is a detailed examination of a property's history. It ensures there are no outstanding claims or liens against it. Title insurance insures the title to property for buyers and lenders. ■■

“ Homeowners insurance protects your property from a variety of hazards. ”



MORTGAGE re-financing

MORTGAGE RE-FINANCING occurs when you trade in your old mortgage loan for a new and hopefully better one. The proceeds from your new loan pay off your previous one.

Benefits

Re-financing your mortgage may:

- lower your interest rate
- reduce your monthly payments
- reduce interest costs over the long-term
- save you money
- help you access equity in your home
- help you consolidate your debt
- allow you to receive tax breaks
- permit you to select a different type of loan
- allow you to build equity in your home faster
- help you pay off your mortgage sooner

Costs

There are some fees associated with mortgage re-financing. They vary depending on where you live and the amount of the loan. As it is a new

mortgage, there may be appraisal costs, legal expenses and other fees.

When to re-finance

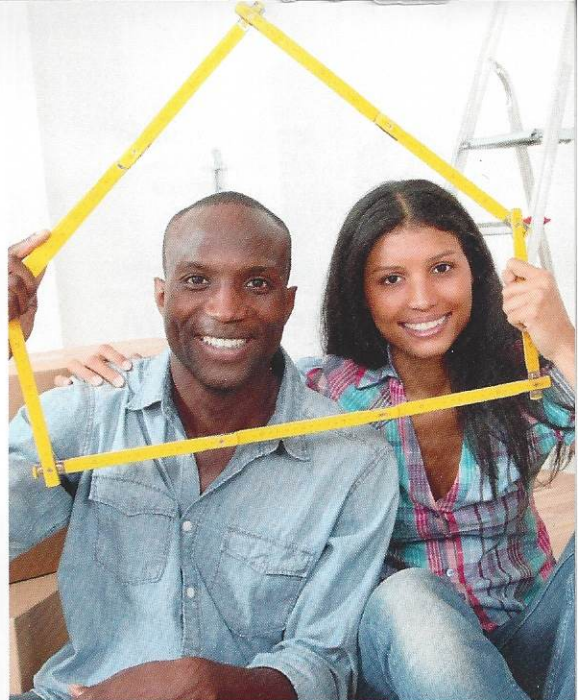
It may be a good idea to re-finance if you:

- have access to low interest rates
- plan on living in your home for the long-term
- see some savings when savings exceed the closing costs of the new mortgage
- can shorten the term of your mortgage
- can build equity faster in your home
- can restructure debt appropriately

When not to re-finance

Now may not be the time to re-finance if you:

- have access to high interest rates
- have a prepayment penalty
- plan on moving soon
- are close to paying off your mortgage
- can't recoup the upfront costs that come with re-financing
- have financial problems. ■■



» TIP

While re-financing your mortgage can be beneficial for you, doing it too often doesn't generally make good financial sense. When you re-finance your mortgage over and over again, the amount for each re-financing accumulates and ends up costing you more money.

FINANCING a recreational property

A recreational property offers the promise of peace and tranquility—a getaway from it all. Owning your own recreational property doesn't have to be a dream.

Before you start looking, however, there are a few things that you need to ask yourself:

- How much can I afford?
- Is my purchase for pleasure, business (rental revenue) or both?
- Where would I like to purchase?
- Do I want a seasonal or year-round property?

Understanding your mortgage financing options is necessary, and choosing what's right for you is essential. There are differences in lending policies between your primary residence and a recreational property. These are based on the features of the property itself.

The first type of recreational property:

- is marketable
- can borrow up to 95 percent of the property's value
- can re-finance up to 90 percent
- has an amortization period up to 30 years

The second type of recreational property:

- is less marketable
 - can be seasonal
 - doesn't have to be accessible on a year-round basis
- can borrow up to 90 percent of the property's value
- cannot re-finance

- has an amortization period up to 25 years

In many cases, if your credit is good, tapping into your home equity is a good idea. You can re-finance your home mortgage and put the equity toward your recreational property. You can also access your home equity through a home equity line of credit. ■■



Mario Achieves Top Ranking in The Wall Street Journal Named #116 In The Nation

Mario Venancio, of Gloria Nilson & Co. Real Estate, was named one of America's top real estate professionals and is now a member of the "REAL Trends/The Wall Street Journal Top Thousand," a national award ranking measured by REAL Trends. The "Top Thousand" honors the top 1,000 residential agents and agent teams.

According to the Real Trends/The Wall Street Journal Top Thousand, Mario Venancio had a sales volume of \$75,328,744.00, ranking him 116th in the Nation; also, ranking him 2nd in the state of New Jersey.

"These leading real estate sales professionals averaged over 140 closed transactions and over \$50 million in closed sales volume. Given the national averages are less than 10 closed transactions and less than \$1.2 million in closed volume these results speak to the extraordinary success of The Thousand. Being ranked in the REAL Trends/The Wall Street Journal Top Thousand, in short, is an incredible accomplishment" said Steve Murray, publisher of REAL Trends/The Wall Street Journal Top Thousand.