

LOAN APPROVAL AND CLOSING

After your mortgage loan has been approved, the final step to homeownership is the loan closing. The closing is also sometimes referred to as “settlement.”

The closing typically takes place at a title company office that is convenient for all parties. The title company is responsible for recording all of the legal documents associated with the closing.

All mortgage and legal documents are signed, all financial sums are paid and ownership of the property is formally transferred.



CONSUMER ADVICE

Predatory Lending

At Harris, we always have your best interests in mind. Unfortunately, there are other lenders who may be untrustworthy and try to take advantage of you. This is referred to as predatory lending.

Predatory lending usually involves loan terms that you can't meet and transactions that take away the equity in your home.

Predatory loans typically include the following features:

- High interest rates and closing costs
- Broker fees
- Unnecessary closing costs such as pre-paid life insurance
- Unaffordable repayment terms

Predatory lenders typically target:

- Low-income homebuyers, the elderly, minorities and women
- People who have less-than-perfect credit
- People with limited knowledge about the homebuying process

To make sure that you don't fall prey to a predatory lender:

- Comparison shop
- Choose a reputable lender
- Don't borrow more money than necessary
- Choose a mortgage that meets your needs
- Don't buy services that you don't need
- Get the best terms that you qualify for
- If you don't understand something, ask questions until you are satisfied
- Get financial counseling if you need it



**TIP: DO NOT SIGN ANYTHING
YOU DO NOT UNDERSTAND.**