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Home Loan Process

Print this checklist and use it to track each major step from early prequalification through closing day. This form will not cover the process exactly in all case, but will explain the majority.

Tip: Complete documents and quick responses help keep your loan moving.

Prequalification — *Optional but helpful*

- ☐ Contact a lender and apply for prequalification. Try to find a lender that allows a soft credit check at this stage.
- ☐ Ask for the maximum purchase price and loan amount you may qualify for. Also ask what interest rate they used for the estimate. This may not be the final rate you receive.
- ☐ Ask for the prequalification letter.

Mortgage Preapproval — *The next step beyond prequalification*

- ☐ This is an optional step above a pre-qualification. This step is submitting paperwork to the lender to verify the info. you gave on the application. This usually includes a hard credit check.
- ☐ Provide requested income documents, such as pay stubs and W-2s. Bank statements may not be needed at this point unless the lender requests them.
- ☐ Receive a pre-approval letter from the lender.
- ☐ Set your homebuying budget based on the approval.

House Hunting and Offer

- ☐ Work with a real estate agent or search on your own.
- ☐ Tour homes and compare properties.
- ☐ Make an offer and negotiate terms.
- ☐ Sign a purchase agreement once your offer is accepted.

Formal Loan Application

- ☐ Submit the signed purchase agreement to your lender.
- ☐ Lock your interest rate for a specific period of time. You do not have to do this on day 1, but do not forget about it. The rate lock period needs to cover you through the day of closing.
- ☐ Receive and sign the initial loan disclosures, including the Loan Estimate and related documents.
- ☐ Send everything to your lender as soon as possible.

Loan Processing

- ☐ Submit any additional requested documents, such as pay stubs, W-2s, bank statements, or other items.
- ☐ Have the home appraisal ordered by the lender. Some lenders require you to pay for the appraisal before they order it.
- ☐ Confirm the title search has been initiated. Your lender and real estate agent should help you on this step.
- ☐ Complete the home inspection. This is optional, but recommended.
- ☐ Respond quickly to any document requests from the lender. A good goal is to send anything needed within 24 hours of the request.

Underwriting

- ☐ The underwriter reviews the full loan file.
- ☐ Approval is issued with conditions in most cases. Conditions may include additional pay stubs, explanations about job history, appraisal items, title work, or other documentation.
- ☐ Satisfy all underwriting conditions, including additional documents, letters of explanation, or other requested items.
- ☐ Complete the final underwriting review.

Clear to Close

- ☐ Receive Clear to Close status from the lender.
- ☐ Confirm the closing date and location with all parties.
- ☐ Review the Closing Disclosure at least 3 business days before closing. Lenders are required to send an initial Closing Disclosure at least 3 business days before closing, including Saturdays. These figures may be preliminary and may not be the final closing figures.
- ☐ Once the lender and settlement agent agree on the final figures, one of them, usually the lender, will provide the final amount to you. Review it in detail and make sure your earnest money deposit, seller credits if applicable, and any fees you already paid are shown correctly.
- ☐ Arrange your cash to close. Confirm whether the settlement agent requires a wire transfer or allows a cashier’s check. Many settlement agents do not accept cash, personal checks, crypto, or cashier’s checks, and most require a wire.

Closing Day

- ☐ Bring your required ID and any documents requested for closing.
- ☐ Sign the final paperwork, such as the Note, Deed, Closing Disclosure, and other closing documents.
- ☐ Get the keys to your new home! (Please note – if you’re in a state that requires recording prior to funding then you may not get the keys the same day as you sign. Your lender and settlement agent can give more info about this)

Notes / Questions for Your Lender