



# THE OWNER FINANCE

*Company*

## Frequently Asked Questions

### **What are the loan terms?**

10.9% interest / 30-Year fixed rate

### **Can these terms change?**

No

### **Can the buyer put more money towards the down payment?**

Yes

### **Is there a pre-payment penalty or balloon payment?**

No

### **What type of documentation do I need to qualify?**

Valid ID or Passport

Proof of current funds (23-28% of purchase price)

Completed TOFC pre-approval application

Verification of employment or ability to make monthly mortgage payments

### **Does The Owner Finance Company lend on commercial properties, land or mobile/manufactured homes?**

No. TOFC only lends on single family properties (1-4 units).

### **Do I need to have good credit?**

No, your credit will not affect your ability to qualify for a loan.

### **How long does it take to be pre-approved?**

24-48 hours once application and proof of funds are received.

### **How much will the closing cost be?**

Closing costs are estimated at 3% until 3 days before closing when you receive the final Closing Disclosure. Most deals average around 3% so TOFC uses 3% as a requirement for pre-approval purposes. This percentage is subject to change.



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## **Can the Seller contribute to my closing cost?**

Yes. Seller contributions or credits can decrease the amount of closing cost and we encourage our buyers to talk with their realtor about this when signing contracts. The max Seller contribution allowed is 2%.

## **What is included in my monthly payments?**

Your monthly payment estimate will be principal and interest only. TOFC will not have the final monthly payment amounts until 3 days before closing when we have final amounts for taxes and insurance. Please factor in taxes and insurance as additional amounts when calculating your monthly payments.

## **What are the benefits of Owner Financing?**

There are several benefits to Owner Financing. There is more flexibility involved, since Owner Financing terms are not dependent on credit scores, bankruptcy, citizenship, etc. Owner Financing allows individuals to qualify for a long-term loan without having to go through a traditional bank for financing. Through our loan servicer, Buyers can also start raising their credit score through payment history by making on time payments for their monthly mortgage payment.

## **What if I miss 1 or more monthly payments?**

Late fees may be applied. If enough payments are missed, the foreclosure process will be initiated.

## **Have further questions?**

The Owner Finance Company is here to ensure that your house buying experience is smooth and hassle-free as possible. Please contact us if you have further questions that haven't been answered on our site. We will be happy to assist you!

## **CONTACT US:**

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