



MAKING HOME HAPPEN

Homebuyer Guide



SOUTHERN TRUST
MORTGAGE



Your Homeownership Journey Starts Here.

Buying your first home is more than a financial transaction; it's one of the most significant milestones of your life. It's a moment defined by a mix of emotions: the excitement of a new chapter, the nerves of a big commitment, and maybe a touch of uncertainty about the road ahead.

The good news? You don't have to navigate this path alone. At Southern Trust Mortgage, we believe the path of homeownership should be defined by clarity, not stress.

You may be asking yourself: *Am I truly ready? What happens if something breaks? Where do I even start?* These are the questions that keep first-time buyers up at night. And at Southern Trust Mortgage, our mission is to provide the answers. We are committed to a homebuying experience that is transparent, educational, and above all else, stress-free.

Let's Make Home Happen For You.

Why Choose Southern Trust Mortgage

At Southern Trust Mortgage, we don't just process loans; we guide people home.

We are your proven and trusted partner, dedicated to helping you make home happen. Our decades of experience ensure that you receive clear, confident guidance and expert support from application to closing.



Priority Approval

A fully underwritten approval from Southern Trust Mortgage gives you a decision in 24 hours or less so that you can make a competitive, strong offer and guarantee a quick closing.



In-House Specialists

We have in-house specialists for self-employed income, credit specialist, and condo specialists.



Local Market Knowledge

You can expect a competitive edge with local knowledge of housing trends, property values, and market conditions.



Variety of Loan Options

We offer financing solutions for every buyer including VA, FHA, Conventional, First-Time Homebuyer Loans, State Bond Programs, Grants, and more!



Get started with **Priority Approval!**

Key Mortgage Terms

Here are some key terms and definitions you will want to know when starting the mortgage process.

Adjustable Rate Mortgage (ARM)

A home loan where the interest rate can change periodically after an initial fixed-rate period, like 5 or 7 years.

Amortization

The process of paying off a loan over time through regular monthly payments. Each payment covers both interest and a portion of the loan principal.

Appreciation

When your home's value increases over time, often due to market demand or neighborhood improvements.

Annual Percentage Rate (APR)

APR reflects the true yearly cost of borrowing, shown as a percentage. It effects the interest rate, any points, mortgage broker fees, and other charges that you pay to get the loan. For that reason, your APR is usually higher than your interest rate.

Appraisal

A formal, unbiased assessment of a property's market value conducted by a licensed appraiser.

Buydown

A way to lower your mortgage interest rate by paying extra upfront.

Closing Costs

The fees you pay when you finalize your home purchase. This includes things like lender fees, title charges and taxes.

Cloud on Title

Anything that could cause legal issues with ownership of a property like unpaid taxes or a lien. These need to be cleared before a home can be sold.

Consideration

Something of value (like money or services) that's exchanged as part of a contract. It's what makes an agreement legally binding.

Deed

The legal document that transfers ownership of a home from one person to another.

Down Payment

The portion of the home's price that you pay upfront in cash. The rest is covered by your mortgage loan.

Easement

The legal right for someone else to use a part of your property, like utility companies running lines through your yard.

Equity

The difference between what your home is worth and what you still owe on your mortgage. Equity grows as you pay down your loan or as your home value increases.

Escrow Payment

Part of your monthly mortgage payment that is set aside to pay for property taxes, homeowners insurance or other costs when due.

Fixed-Rate Mortgage

A home loan with an interest rate that stays the same for the entire term, your monthly principal and interest payment remains the same.

Foreclosure

A legal process where a lender takes back the property because the borrower has stopped making payments.

Loan Estimate

A document you get after applying for a mortgage that outlines estimated interest rates, monthly payments, and closing costs.

Mortgage / Deed of Trust

A legal document that secures your home loan. It gives the lender rights to the property if you don't repay the loan as agreed.

Mortgage Insurance

Required for FHA Mortgage Loans, MI guarantees the lender that outstanding loan balance will be repaid even if the property is sold at a loss due to foreclosure.

Note

A written promise to repay your loan, including how much you owe, your interest rate, and repayment terms.

Origination Fee

A fee you pay to the lender for processing your loan. It's typically a percentage of your loan amount.

Private Mortgage Insurance (PMI)

Insurance you pay for when your down payment is less than 20% on a conventional loan. It protects the lender if you default on your loan.

Rate Lock

A written agreement that guarantees your interest rate won't change for a certain period while your loan is being finalized.

Second Mortgage

An additional loan that uses your home as collateral, usually with a higher interest rate and shorter term than your first mortgage.

Settlement / Closing Disclosure

A final statement of your loan terms and all the costs of buying your home. You'll get this at least 3 business days before closing.

Title Insurance

Protects you or your lender against problems with the home's title for example; past ownership disputes or unknown liens that could affect your ownership rights.

Underwriting

The lender's detailed review of your finances, credit, and property details to decide if you qualify for the loan and at what terms.



The Homebuying Process: Step-by-Step



Step 1: Get Pre-Approved with Priority Approval

Before house hunting, it's important to know what you can afford and how competitive your offer can be. With Southern Trust Mortgage's Priority Approval, you don't just get pre-approved, you get fully underwritten credit approval upfront, often within 24 hours of application.

This means less stress, faster closings, and more confidence when you make an offer.

How to Get Started with Priority Approval

- ✔ Start by applying through **STM Connect**: Southern Trust's Mortgage Mobile App.
- ✔ Your Loan Officer will pull your credit and review your score and debts.
- ✔ You will submit documents like W-2s, paystubs, and bank statements.*
- ✔ The file goes through initial review.
- ✔ A credit decision is made in 24 hours or less.



Download **STM Connect** and get pre-approved!

**Additional documents may be required.*

The Homebuying Process: Step-by-Step

Step 2: Find a Real Estate Agent and Get House Hunting!

This is where the real fun begins! Finding your dream home starts by hiring a trusted real estate agent to guide you through home showings and negotiations. You will want to partner with a local agent who knows the market you are shopping in. Their knowledge and expertise will be invaluable in your search.

Define Your Must-Haves

To help narrow your search and keep you on track you will want to list your must-haves and would like to have. This along with your Priority Approval from Southern Trust Mortgage will give you the confidence to act fast when the right home comes along. Use this chart to help determine your must-haves:

Feature	Must Have	Would Like	Not Necessary
___# of Bedrooms			
___# of Bathrooms			
Ensuite Primary Bath			
Open Floor Plan			
Formal Dining Room			
Home Office			
Gas Stove			
Big Backyard			
Patio or Deck			
Pool			
___ Car Garage			

Once you find “the one,” your agent will help write you a strong offer. When your contract is accepted, we’ll provide updated payments and loan options based on the final sales price.

The Homebuying Process: Step-by-Step

Step 3: Your Offer is Accepted! Now What?

Once your offer is accepted and the contract is ratified, it's time to start the path to closing. You will determine your official closing date and work with your Southern Trust Loan Officer to lock in your interest rate.



Your Agent Will Help Schedule Any Required Inspections:



Home Inspection

A licensed inspector evaluates the home's condition, from roof to foundation, so you know what you're buying.



Termite Inspection

Checks for any signs of wood-destroying insects or past damage that may need treatment or repairs.



Appraisal

Ordered by Southern Trust Mortgage, the appraisal confirms the home's value for the lender by comparing it to nearby sales.

Next, you'll choose your settlement company and begin prepping for your move!

The Homebuying Process: Step-by-Step

Step 4: The Mortgage Process: From Contract to Closing

Now that the contract is ratified, we can move into the full mortgage process. During this time you may be asked to update or provide additional documentation.

Once the appraisal is received, underwriting will review the home's value and findings to finalize your loan structure.



Homeowner's Insurance

You will need to secure a homeowner's insurance policy during this time.

Our underwriting team will review the coverage to ensure it meets the loan requirements.

Southern Trust: Behind the Scenes

The underwriting and processing teams are hard at work reviewing documents, clearing conditions, and ensuring every detail aligns with your loan program.

As closing approaches, our closing department will prepare your final Closing Disclosure (CD) and send the full package to your settlement company.

At the closing table, you'll need a certified check for your remaining down payment and closing costs.

Now, get ready to make your move official.

The Homebuying Process: Step-by-Step



Step 5: Welcome Home

You made it! The keys are in your hand, and your new chapter begins. After signing your final documents at closing, you're officially a homeowner.

But our support doesn't stop there. Whether you have questions after move-in, need help with your first tax season as a homeowner, or want to explore future refinance options; **we're here for you.**

Take time to settle in, make memories, and truly enjoy your new space. You didn't just buy a house, you built a foundation for your future.

**Welcome home, from all of us at
Southern Trust Mortgage!**

The Mortgage Process: Loan Review



The Property

We review the value, condition, and marketability of the home through the appraisal. The home is the loan's collateral, so it must meet lending standards



Your Income

We verify your income to make sure you can repay the loan. Stable income from the past two years is key.



Your Job History

Steady employment in the same field is a plus. Frequent job changes can raise red flags unless it is for career growth.



Your Debts

We look at how much debt you have and how it impacts your ability to afford the new mortgage payment.



Your Credit

Your credit report shows your history of repaying debt. Late payments, collections, or bankruptcies may affect your loan approval. Talk to us about any credit issues up front.



Your Assets

You'll need to show where your down payment and closing costs are coming from. Avoid moving money around or making large purchases during the loan process, as it can cause delays.

Explore Our Loan Options

At Southern Trust Mortgage, we know your home's financing is not a one-size-fits-all transaction. Our team is well-versed in a variety of loan options, as well as grant options and down payment assistance programs to help make home happen for you.

Conventional

- Fixed and Adjustable-Rate Loan Terms
- HomeReady & Home Possible (up to 97% Financing)
- Low Monthly Mortgage Insurance (when putting down less than 20%)
- Seller & Lender Paid Buydowns
- One-Time & Two-Time Construction Financing

FHA

- Lower Credit Score Requirements
- Low Down Payment Options
- One-Time Close Options for New Construction
- Renovation Loans Available

VA

- Zero Down Payment for Qualified Veterans
- One-Time Close Options for New Construction
- Renovation Loans Available

USDA

- No Down Payment for Rural Homes
- One-Time Close Options for New Construction
- Renovation Loans Available

Niche

- Medical Professionals
- Bank Statement Loans
- DSCR (Debt Service Coverage Ratio) for Investors
- Primary & Secondary Low Rate and ARM Programs
- Extended Locks
- Lock & Shop: Lock Your Rate While You Shop for Your Home

Jumbo Financing

- Financing up to \$3MM
- As Little as 5% Down Payment for Primary Homes
- Primary, Secondary, & Investment Options
- Fixed & Adjustable-Rate Programs

Maryland Mortgage Program (MMP)

- 30-Year Fixed-Rate Loan Options
- MMP 1st Time Advantage
- MMP Flex Loans
- Maryland SmartBuy Program
- Down Payment and Closing Cost Assistance

NCHFA

- NC Home Advantage Mortgage™
- NC 1st Home Advantage Down Payment
- Community Partners Loan Pool

SC Housing

- Low, Fixed Interest Rates
- County First Initiative
- Palmetto Home Advantage
- Palmetto Heroes
- Housing Choice Voucher
- Mortgage Credit Certificates

Virginia Housing

- Mortgage Options for First-Time & Repeat Homebuyers
- Loan Options for FHA, VA, USDA, & Conventional
- Down Payment and Closing Cost Assistance, and Grant Options Available
- Virginia Housing Plus Second Mortgage

Key Documents You Will Need When Applying for a Mortgage

If you are ready to embark on your homeownership journey, you may want to begin gathering some essential documents to avoid any delays, especially if you have a set closing date in mind.

- Address & Employment History
- Picture ID
- Current Month's Pay Stubs & W-2 (Last Two Years)
- Full Tax Returns if Self-Employed or Receive Commissions and/or Bonuses in Excess of 25% Local Income (Last Two Years)
- Contract of Sale
- Real Estate Owned: Addresses, Balance, and Monthly Payment (Current Mortgage Statement and Homeowners Insurance Statement)
- Divorce Decree if Paying and/or Receiving Alimony or Child Support (Contact Loan Officer)
- Bankrupt & Discharge Papers (If Applicable)
- Bank Statements Including Checking, Savings, 401k, and Investments. (All Pages with Account Number, Your Name, and Bank Name Appearing for the Last Two Months)
- VA Loans Only: DD214 & Certificate of Eligibility



All Home Loans Are Unique

Your specific needs may require additional documentation. Please consult your Southern Trust Mortgage Loan Officer regarding your individual requirements.

Frequently Asked Questions (FAQ)



Do I need a 20% down payment to buy a home?

You do not need a 20% down payment to buy a home. First-time homebuyers can secure a loan for their dream home with zero or as little as 3% down!

Do I have to have perfect credit to buy a home?

While having a higher credit score can get you a better interest rate, we have loan options for those with less-than-perfect credit.

Can I get a mortgage if I have student loans or other debts?

As long as your debt-to-income (DTI) ratio is in an acceptable range, which varies between loan types, having student loans or other debts will not automatically disqualify you from getting a mortgage.

Should I get pre-approved first?

Yes! Getting pre-approved before beginning your home search is recommended. It lets you know how much home you can afford and lets sellers know that you are a serious and qualified buyer.



Have More Questions?

Contact your loan officer! They are happy to answer any and all questions.

STM Connect

Your Home Base For Your Home Loan

Your STM Connect Dashboard keeps you on track with providing documents securely to your loan officer and lets you see the latest status of your home loan on demand.



Securely Upload Documents

Get approved at the speed of light by submitting documentation to your loan officer with your phone!

Simply take a picture of the document and send it through the app. Your information is always safe with bank-level security encryption.

Easy to Use Mortgage Calculator

See what you qualify for and how much your payments will be based upon real home loan pricing.

Do More With STM Connect

- Loan status alerts via push notification and text.
- Complete your full application directly from your phone.
- Seamless integration with your existing real estate agent.
- Receive pre-approval letters directly from your loan officer.



Download **STM Connect** to get started!

Let's Make Home Happen For You Today!

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