



Better Home Buying

Your guide to a home loan
at Gate City Bank

 **Gate City Bank**

For a Better Way of Life.®

Welcome Home

At Gate City Bank, we believe a better way of life begins with the right products and services. Buying, building or refinancing, our knowledgeable mortgage team will guide you through the entire process, ensuring you feel right at home by providing:

- Locally approved, financed and serviced home loans
- The ability to close on your home loan in just 10 days*, once you are pre-approved
- A variety of loan programs including no origination fee and low down payment options

Our standard of excellence means we will come through for you on the most important and exciting day of homeownership – closing day!

*Some restrictions may apply



Our home loan process begins with the Gate City Bank **Blue Standard Pre-Approval**, which guarantees:

- ★ The lowest rates and competitive fees
- ★ Trusted by real estate agents and sellers
- ★ Peace of mind knowing your pre-approval will come through on closing day



First Homes

We recognize there is a lot to consider before buying your first home, so understanding your homeownership goals is important to us. When it comes to choosing the right home loan and planning for the big picture, we will walk you through the process.

Perfect Homes

Life keeps you moving...whether it's for a new job, a growing family, or refinancing to better fund your priorities, selecting the right mortgage is a critical component of your experience. We make things simple, so you can keep moving forward without surprises.

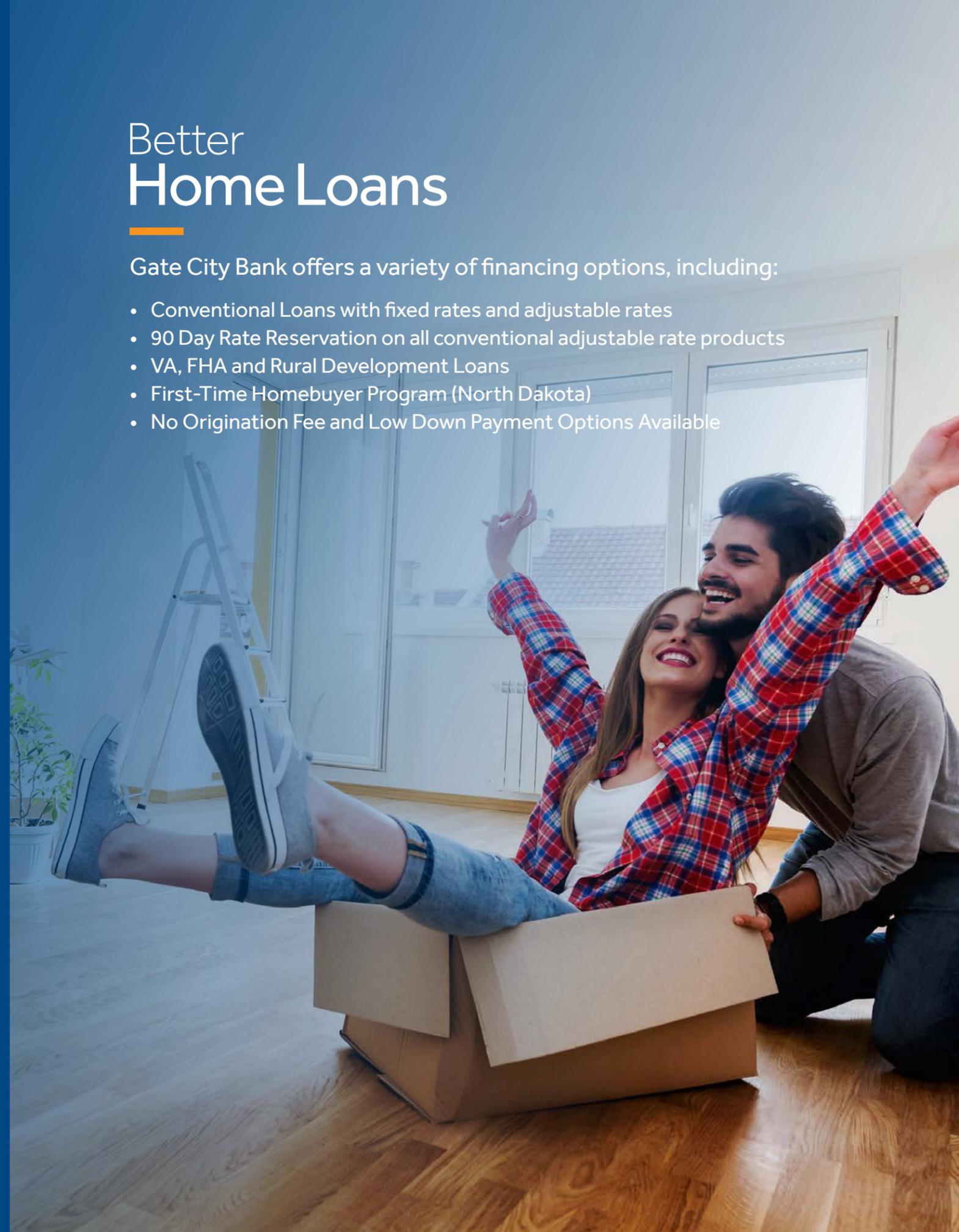
Peaceful Homes

From lake homes to weekend getaways; investment properties to downsizing, our mortgage lenders are here to help. We look at your entire financial picture, tailoring our processes to ensure your experience is as easy and effortless as possible. For every home you own, rest assured knowing we will be your trusted financial partner along the way.

Better Home Loans

Gate City Bank offers a variety of financing options, including:

- Conventional Loans with fixed rates and adjustable rates
- 90 Day Rate Reservation on all conventional adjustable rate products
- VA, FHA and Rural Development Loans
- First-Time Homebuyer Program (North Dakota)
- No Origination Fee and Low Down Payment Options Available



Better Building

We offer the financing options you need to build your dream home. Our team of mortgage experts will help you decide on financing, so you can focus on designing your vision.

15 Month Interest Rate Lock

Protects your interest rate from changing for up to 15 months, guaranteed, at no additional charge, with the option to re-lock to current market rates 60 days prior to closing.

Flex Loans

We offer the flexibility you may need to stay in your current home, while your new home is being built.

Lot Loans

Finance your lot while you prepare to build your dream home. We may be able to lend up to 90% of your lot's value.

Construction Permanent Loans

Close on your home loan before building even starts! Finance your lot and construction costs into one home loan to save on closing costs.



BetterLife™ Student Loan

Investing in an education could mean carrying long-term student loan debt. We offer the BetterLife Student Loan for qualified individuals with student loan debt who want to consolidate their existing student loan(s).

The BetterLife Student Loan can help reduce your student loan payments. Whether you have a college degree, trade certificate or advanced degree and are currently working in that field, we have options for you to refinance your student loans.

- A low fixed interest rate
- No fees
- Up to \$100,000

Since the BetterLife Student Loan Program began in November of 2015, we have helped over 1,400 customers refinance their student loans. Over the lifetime of their loan, we will save each customer an average of \$5,000 in student loan interest. That's a total of over 7 million dollars!

\$7 Million

Saved by Customers
in Student Loan Interest



8 Simple Steps To Homeownership

1

Start with a Gate City Bank Blue Standard Pre-Approval

The home loan process starts by getting pre-approved. Your mortgage lender will provide you with an estimated monthly mortgage payment, explain financing options and answer any questions you may have. The Gate City Bank Blue Standard Pre-Approval is trusted by real estate agents and sellers, means we provide the lowest rates and competitive fees and gives you peace of mind knowing your pre-approval will come through on closing day.

2

Find a Home

Find your perfect home and make an offer. Once your offer has been accepted, share the good news! Provide your mortgage lender with a copy of your signed purchase agreement.

3

Complete your Application

To start processing the loan, your mortgage lender will discuss the details of your loan amount and any fees associated with your closing, locking in your interest rate to guarantee it for a specified amount of time and any other forms necessary. Building? Gate City Bank offers a FREE 15-month rate lock program at no additional charge, with the option to re-lock to current market rates 60 days prior to closing.

4

Discuss BetterLife™ Student Loan Program

Gate City Bank offers the unique option for college graduates to consolidate student loan debt at a low fixed interest rate with a home loan from Gate City Bank. Since the BetterLife Student Loan Program began in 2015, we have helped over 1,400 customers refinance their student loans. Over the lifetime of their loan, we will save each customer an average of \$5,000 in student loan interest.

5

Obtain Homeowners Insurance

Now that you're on your way to purchasing your home, you will need homeowners insurance. Let us do the work for you! We would be happy to connect you with Gate City Insurance*, who can provide you with a FREE quote.

6

Review Home Appraisal

To determine the home's current appraised value, your mortgage lender will schedule the home to be appraised. When the appraisal is complete, we will provide you with a copy and discuss the results.

7

Finalize Loan Approval

To prepare to close on your home, we will review your loan package, appraisal, total debt ratio, credit history, employment history, and other required information to finalize the loan.

8

Celebrate Closing Day!

Before closing day, your mortgage lender will provide you with information about your loan, loan fees, and other costs, plus the total dollar amount you will need to provide to the title company at closing. Gate City Bank will prepare the closing documents for you and ensure you close on your scheduled closing date. Now, just sign on the dotted lines.

Congratulations, you're a homeowner!

Common Loan Terms

Additional Principal Payment:

Paying more than the scheduled amount due will reduce the remaining principal balance on your loan.

Adjustable Rate Mortgage (ARM):

A mortgage with an interest rate that changes during the life of your loan.

Annual Percentage Rate (APR):

The annual percentage rate is the calculation of the interest rate you pay each year and includes other fees that you pay to get your loan.

Appraised Value:

An appraiser's opinion of the home's fair market value, based on their knowledge, experience, and analysis of the home.

Asset Review:

A review of your checking, savings, retirement, and investment statements to verify funds are available for the down payment and closing costs.

Closing:

Gate City Bank and the title company will meet with you to sign the mortgage documents and finalize the purchase of your home.

Closing Costs:

Expenses that are incurred when transferring ownership of a property. Closing costs may include an origination fee, property taxes, charges for title insurance and escrow costs, and appraisal fees.

Credit Report:

A report detailing your credit history that is prepared by a credit bureau.

Down Payment:

An initial payment made on the purchase price of your property that is not financed with your mortgage.

Earnest Money:

A deposit made to a seller showing the intent to purchase a home.

Escrow Payment:

The part of a mortgage loan payment that is reserved to pay for property taxes, hazard insurance, and mortgage insurance as they come due.

FHA Mortgage:

A government mortgage that is insured by the Federal Housing Administration (FHA).

Fixed Rate Mortgage (FRM):

A mortgage interest rate that is fixed throughout the entire term of your loan.

Loan-to-Value (LTV) Percentage:

The principal balance of your mortgage compared to the appraised value or sales price (whichever is lower) of your home. For example, a \$200,000 home with an \$160,000 mortgage has an LTV of 80 percent.

Interest:

The fee charged for borrowing money.

Maturity:

The date on which the principal balance of your loan becomes due.

Monthly Mortgage Payment:

The monthly mortgage payment includes the principal balance of the loan, interest charged for the loan, as well as taxes and insurance on the home.

Mortgage:

The mortgage document that provides collateral for your loan.

Mortgage Insurance:

Insurance that protects the bank if payments are not made on your mortgage loan.

Origination Fee:

A fee paid for processing your loan application.

Pre-Approval:

A written statement of how much money you will be eligible to borrow.

Principal Balance:

The outstanding balance of principal on a mortgage not including interest or any other charges.

Rate Lock:

The guarantee of a specified interest rate for a specified period of time.

Underwriting:

The bank's assessment of the home and your ability to repay the loan.

VA Mortgage:

A mortgage that is guaranteed by the Department of Veterans Affairs (VA).

*Insurance Products are not insured by FDIC or any Federal Government Agency; are not a deposit of, or guaranteed by the Bank or any Bank Affiliate; and may lose value.

Personal Information Checklist

Account Information

A copy of your most recent statement for checking, savings, investments, and retirement accounts.

Address Information

Provide all addresses you have lived at over the past two years.

Employment Records

- Your most recent year-to-date pay stub(s)
- Copies of your W-2s and completed Federal Income Tax Returns from the past two years

Other items which may include:

- Divorce decree (if applicable)
- VA applicants must provide a copy of DD214 or an original statement of service and a certificate of eligibility

Refinancing?

- Proof of homeowners insurance coverage amount
- Homeowners insurance premium amount
- Most recent statement for the mortgage loan you are refinancing



38 locations in North Dakota and west central Minnesota
gaticity.bank