

Mortgage Terms Made Easy



Presented By:



Brandon Doza
Loan Officer
970-389-2278
brandon@mpahomeloans.com
www.homeloanswithbrandon.com
NMLS 1991912



A–C

Amortization

The gradual repayment of your loan through scheduled payments that cover both principal and interest over time.

Annual Percentage Rate (APR)

Your interest rate plus certain loan fees, expressed as a yearly rate. This gives you a more accurate idea of the loan's true cost.

Appraisal

A professional estimate of the home's market value, usually required by the lender to confirm the property is worth the loan amount.

Assets

Things you own with financial value — like savings, retirement accounts, or investments — used to help determine loan eligibility.

Closing

The final step of the mortgage process where you sign paperwork, fund the loan, and officially take ownership of the home.

Closing Costs

One-time fees paid at closing for services like the appraisal, title work, lender fees, and taxes. Typically 2–5% of the loan amount.

Collateral

The property you're buying acts as security for the loan. If you stop making payments, the lender can take the home back.

Conventional Loan

A popular loan type that's not backed by the government (unlike FHA or VA loans). Usually requires a higher credit score but comes with fewer restrictions.



 **C-F****Closing Disclosure (CD)**

A standardized 5-page document that outlines the final details of your mortgage loan. It shows your loan terms, monthly payments, closing costs, and cash to close.

 **Why it matters:**

You'll receive your CD at least 3 business days before closing. It's your chance to carefully review and make sure everything matches what you expected. I'll walk through it with you to answer any questions.

Credit Score

A number (typically 300–850) that reflects your credit history. Higher scores can mean better loan options and interest rates.

Debt-to-Income Ratio (DTI)

A comparison of your monthly debt payments to your gross monthly income. Lenders use this to assess how much home you can afford.

Down Payment

The portion of the home's price you pay upfront. Many loan programs allow as little as 3–5% down.

Earnest Money

A deposit you submit with your offer to show the seller you're serious. It's usually applied toward your closing costs or down payment.

Escrow

An account your lender sets up to collect and pay your property taxes and homeowners insurance on your behalf.

Equity

The difference between what your home is worth and what you owe on it. As you pay down your loan or home values rise, your equity grows.





F-M

FHA Loan

A government-backed loan with flexible credit and down payment requirements, designed to help more people become homeowners.

Fixed-Rate Mortgage

A loan with an interest rate that stays the same for the life of the loan — typically 15, 20, or 30 years.

Home Inspection

A thorough review of the home's condition (roof, plumbing, structure, etc.) to help buyers understand any issues before closing. Not always required, but highly recommended.

Homeowners Insurance

Coverage that protects your home and belongings in case of fire, theft, or other damage. Required by lenders.

Interest Rate

The cost of borrowing money, expressed as a percentage of the loan amount.

Loan Estimate (LE)

A standardized form lenders provide early in the process, showing your estimated interest rate, monthly payment, and closing costs.

Loan Term

The length of time you'll take to repay the loan — most commonly 30 or 15 years.

Mortgage

A loan used to buy a home, with the property itself acting as collateral.

Mortgage Insurance (PMI or MIP)

Insurance you may need to pay if you put down less than 20%. It protects the lender, not you — but it can often be removed later.

 **N-Z****Points (Mortgage Points)**

Optional upfront fees paid to lower your interest rate. One point = 1% of your loan amount.

Pre-Approval

A more thorough financial review than pre-qualification. A lender verifies your income, assets, and credit to determine how much you can borrow.

Pre-Qualification

An initial estimate of how much you might be able to borrow, based on self-reported information. Not as strong as a pre-approval.

Principal

The original loan amount (or remaining balance) you owe — not including interest.

Rate Lock

An agreement with your lender to “lock in” a specific interest rate for a set period, even if rates rise before closing.

Title

A legal record of who owns a property.

Title Insurance


Protects you and the lender in case there are disputes or claims against the ownership of your home after you buy it.

Underwriting

The process where your loan file is reviewed in detail to confirm you meet all guidelines before final approval.

VA Loan

A no-down-payment loan available to eligible veterans, active-duty service members, and some surviving spouses. Backed by the Department of Veterans Affairs.





Let's Keep It Simple — Together

Still have questions?

Heard a term that wasn't in this guide?

We're here for all of it. Whether it's your first home or your fifth, we know the home buying process can feel overwhelming at times — but you're not in it alone.

Have a question? Need something explained further?
Just reach out — that's what we're here for.

You + Me + Your Realtor = One Solid Team

Our job is to make this journey smooth, clear, and as stress-free as possible. And that starts with being available when you need answers.

 **Reach out any time — no pressure, no obligation.
We're happy to help.**

Brandon Doza

Your Local Mortgage Loan Officer

 **970-389-2278** |  **brandon@mpahomeloans.com**

 **www.homeloanswithbrandon.com**