



Use these guidelines to better understand what to expect when financing your new home with Trio.

### **Searching for Your New Home:**

Selecting a new home is exciting! There are many quality resources online and in person you can use to start searching. The Trio home price calculator, available on both the Trio mobile app on your smart phone and on [thinktrio.com](http://thinktrio.com), is a great tool to use to estimate your monthly lease payment and home price. We encourage you to consider your monthly budget and start searching for homes that fit your budget even if Trio ultimately approves you for more.

### **A Note About Trio Qualified Homes:**

Trio finances quality homes, both new and old, of all shapes and sizes, but does consider newly constructed and homes built within the most recent 10 years, or homes substantially renovated within the last ten years, to be the most desirable for Trio customers. Before considering making an offer on a home, see Locations<sup>1</sup> on [thinktrio.com](http://thinktrio.com) to confirm your selected home is located in a qualified area for Trio financing and does not exceed the indicated area maximum home price or your approved financing amount as indicated on the Trio customer approval letter. Also, confirm the home meets Trio's home standards and your agent follows Trio's offer submission requirements as can be found on [trioresidential.com](http://trioresidential.com).

It is CRITICAL that you select a quality home that will meet Trio qualifications and is priced at or below market, is located in a Trio qualified market, and is also priced below the area FHA loan limit plus 3%. If not, you could end up paying additional costs for inspection, appraisal and other fixed costs on a home that Trio cannot finance.

Since your monthly payment and purchase option price are based on acquisition costs (not on price alone), it is in your best interest to work with the seller to negotiate the best purchase price on your selected home. Every Trio financed home must include a minimum seller concession of 3% to cover buyer closing costs. Since you are the ultimate beneficiary, the lower the home price and the greater the concession means you will pay less up front, pay less per month, and have a lower option price when you are ready to buy.

### **Working with Real Estate Agents:**

Trio prefers you use its preferred agent network to help navigate the closing of your home. Our process is unique compared to a standard closing using a traditional mortgage. To show our appreciation we credit you \$400 off your move-in costs for working with a Trio Preferred Agent, because it simply takes less of our time.

We do understand that you may have a friend that is an agent or would prefer to use an agent you have used in the past. If this is your preference, we are happy to make it work, but before your agent gets started they must register with Trio and sign our broker referral agreement available on [trioresidential.com](http://trioresidential.com).

Once you start looking for a home, be wary that agents at open houses and site agents at builder developments will ask you if you have an agent or to register with them (even when shopping online with many builders). Let them know you have an agent and/or are working with Trio. This will ensure your agent can represent you without a conflict with another agent or a builder specific site registration policy. It just makes it easier for all of us.

### **What to Expect in Purchasing a Home with Trio:**

If you have ever purchased a home, you likely have experienced the exhausting process throughout the 30 to 60 days it typically takes to close a home purchase. Trio does its best to insulate you from the ups and downs, but we cannot anticipate all the issues, personalities and emotions that will be involved. Overall, please recognize up front it is a challenging but rewarding process. But also know that Trio is on your team at all times! We have only one incentive – to help you locate and finance your new home that is right for you.



To set your expectations, here are four events that consistently cause stress during the closing process:

- 1) **The initial negotiation** – one way to reduce stress in the process is to ensure that the home is fairly priced, the closing date works for all parties, and the seller concession is included in your purchase agreement. Most sellers will comply with our closing timeframes and understand the need to include a reasonable amount of concessions for a buyer. Those that don't may not be a good match for you or Trio. We also recognize that in a highly competitive market that seller concessions may be difficult, so be prepared before you launch into the process and set realistic expectations based on your circumstances.
- 2) **The home inspection** – another way to reduce stress in the process is to ensure that the home does not have any significant deferred maintenance or items in need of repair. Then agree with the seller on what they will complete and or pay for to be completed prior to closing. This is one reason Trio prefers to finance homes recently built or renovated over older homes. We would like to see you have a home without maintenance issues when you move in so you can focus on getting ready to buy versus spending time and money fixing a home that should have been better prepared for sale to a new owner before it was put on the market. That being said we also realize that in some market locations this is not always possible, so we have expanded our financing to include the ability to finance homes in need of rehabilitation to bring them up to Trio standards.
- 3) **The appraisal** – in the event there is a difference between the contracted home purchase price and the price (the appraised value) determined by an independent licensed appraiser hired by our FHA mortgage provider, the seller is typically required to reduce the sale price. Sometimes sellers accommodate and adjust the price accordingly, and other times they object and expect you to pay the difference. Just know that if there is a disagreement that your Trio Preferred Agent is there to help. But ultimately if the negotiated purchase price is above appraised value, Trio must deny the financing unless the difference is paid by the seller, by you, and/or the representing real estate agents.
- 4) **The actual closing date** – the fourth stress point can be in the event there is a delay in the process that prevents the original planned closing date from being achieved on time. Trio tries to help with this by asking agents to attempt to get a longer closing timeframe with the seller, and we will work to close earlier as possible. This is because we know that even if a transaction closes right on time, sellers are unpredictable, as is the timing in getting keys and ensuring your new home is ready for you to move in. If you have concerns about the timing of your closing, set your date for something that provides you with the largest buffer between the closing date and the end of the month should you need to move by month end. Remember, Trio is ultimately not in control of closing dates. The lender, closing agent, and seller must all coordinate before Trio can sign the closing documents and fund the purchase of the home.

Thank you for trusting Trio with your housing future.

**Still Have More Questions:** Visit [thinktrio.com](http://thinktrio.com) or email [closings@thinktrio.com](mailto:closings@thinktrio.com).