



**FEDERAL BANK**

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## **Borrowing Tips for Homebuyers in a new Mortgage Lending Environment**

**Newtown, PA** – “Work with your local community bank to find the mortgage that’s right for you” is the best advice the Independent Community Bankers of America (ICBA) can give to homebuyers in today’s changing mortgage lending environment. The nearly 5,000 members of the ICBA help millions of Americans in communities throughout the country to become and stay homeowners each year through personal attention that only a local community bank can offer.

According to 3<sup>rd</sup> Federal Bank President and CEO Kent C. Lufkin, “As a strong, stable, common sense mortgage lender, we strive to help customers become homeowners every day.” Lufkin goes on to say that “the bank was founded 86 years ago on the philosophy that homeownership was the key to community growth and economic stability. We encourage people to talk with us first so we can help them find the right product for their situation.” 3<sup>rd</sup> Federal provides a full range of mortgage lending services to its customers and the communities it serves.

In addition to working with a community banker, ICBA offers the following suggestions:

1. Know your budget: how much you spend on rent, utilities, entertainment, clothing, food and transportation.
2. Organize paperwork: pay stubs, W-2 forms, tax returns, and bank and investment statements.

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3. Check your credit report and bring it to your community banker. Credit reporting agencies must give you one free report annually.
4. Work with your community banker to find out how much you can borrow and which mortgage is right for you.
5. Get pre-approved. It helps you shop for a home that fits your budget and shows sellers you are a serious buyer who can close on a home quickly.
6. Learn as much as you can about the home buying process. Your community banker can help explain it to you. Look for classes on home buying and home maintenance. There are free online educational tools at [www.hud.gov](http://www.hud.gov) and [www.federalreserve.gov/consumers.htm](http://www.federalreserve.gov/consumers.htm).
7. If you are a first time homebuyer, ask if there are special first time homebuyer loan programs available, or grant programs to assist with down payment and closing costs.
8. Consumers have a wide variety of mortgages to choose from. Ask your loan officer to carefully explain payment options, rate adjustments and other loan features so that you aren't surprised by payment increases down the road. Don't be taken in by promises of low payments and 100 percent financing.
9. Always ask for a written good faith estimate to compare the real costs of your mortgage. It will tell you what your interest rate, monthly payment and closing costs will be.
10. Visit homes to learn what you are getting for your money and what fits your budget.

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## **About ICBA**

The Independent Community Bankers of America, the nation's voice for community banks, represents 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. For more information, visit [www.icba.org](http://www.icba.org).

## **About 3<sup>rd</sup> Federal Bank**

Founded in Philadelphia, in 1921, 3rd Federal Bank is headquartered in Newtown, Pennsylvania with 15 branches servicing Philadelphia and Bucks County, Pennsylvania and Mercer County, New Jersey. 3rd Federal Bank offers a full line of personal and commercial banking products with the excellent service of a community-based bank. TF Financial Corporation, 3rd Federal's parent company, common stock is traded on the NASDAQ under the symbol "THRD."

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