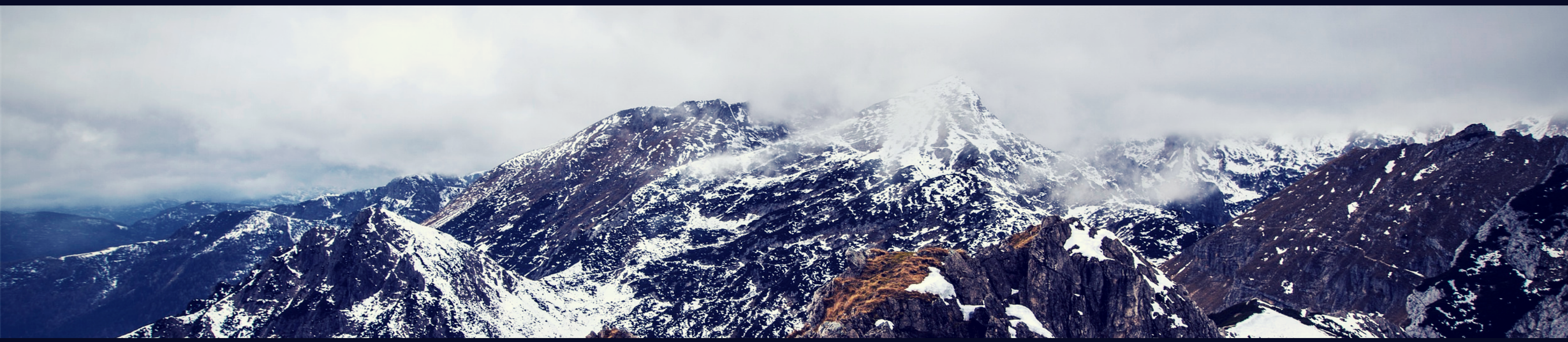
UTAH REALTY PROFESSIONAL



INITIAL FINANCING PREPARATIONS

Gather Personal Information:

1. Check your credit rating and resolve any discrepancies.

2. Gather and organize important financial documents regarding debts, income, and assets, such as:

   a. Bank/credit card statements.
   b. Existing loan(s) documentation.
   c. Investment documentation, including 401K, life insurance, stocks, bonds etc.
   d. Recent income history.
   e. Tax returns for prior two years.

Choose a Lender:

1. Individually, or with the assistance of a mortgage broker or other professional, search and negotiate for favorable financing terms, such as the interest rate, required down payment, origination fees, mortgage insurance and other closing costs. Finding the right lender that will work with your particular circumstances can result in substantial savings and reduce the amount of money you pay out of pocket at closing. (Pay attention to the lender's Annual Percentage Rate (APR), since this includes not only the interest rate, but also the fees and costs associated with your loan. (*Check current rates and other information at* http://www.bankrate.com *and other sources online*).

2. After finding potential lenders with competitive terms, talk to a few and compare their available loan programs and willingness to take time to find the best option for your situation. (Click on the “List of Service Providers” link on the Additional Buyer Resources Page for contact info for some recommended local lenders).
Choose a Loan:
Loans are generally categorized by the type of lender/insurer, the interest rate structure and the duration, summarized generally below.

Lender/Insurer Options:

1. Conventional Loans: Not insured or guaranteed by the federal government.

2. FHA Loans: Insured by the Federal Housing Administration to protect the lenders and allow for lower down payments (mortgage insurance required).

3. VA Loans: Similar to FHA loans, but reserved for military service members and their families.

4. USDA Loans: Available in rural locations, based on certain income requirements.

Interest Rate Structures:

1. Fixed Rate Mortgage: Monthly payments stay the same over the life of the loan, generally between 15 and 30 years. (Possibly the best option if current interest rates are relatively low and you intend to have the property long term).

2. Adjustable Rate Mortgage (ARM): Often chosen by those that plan to sell or refinance within the next few years. The starting interest rate is typically lower than a fixed rate loan, but there is risk that interest rates will significantly increase over the life of the loan.