



Your Mortgage PLANNER

with Jamie H. Harrington, President

WHAT HAPPENS WHEN YOU SELL YOUR HOME

When you take out a mortgage, you give a lien on your property to the lender as collateral for the loan. If you default on the mortgage, the lender has the right to begin foreclosure proceedings and sell your home to pay off the loan.

Virtually all loans have a due-on-sale clause stating that the lender can demand payment in full of the loan upon the sale of the home. Lenders include this clause because they know that as long as buyers live on the property, they have an interest in making the payments.

Therefore, lenders require borrowers to pay off a loan as part of the closing. Before the closing, they will issue a payoff letter, detailing how much interest and principal the borrower owes on the loan as of the closing. As a standard part of the closing proceedings, the title company or escrow agent will mail a check to the lender. When you get the release of mortgage, you should record it at the local recorder of deeds office.

If you would like to discuss what type of mortgage loan will work best for you, call Jamie Harrington at 828-632-0650 for an appointment. United Carolina Group, Inc., is located at 340 NC Highway 16 S. in Taylorsville.

www.unitedcarolinagroup.com