



TOP 5 TIPS



Find a Mortgage Loan Professional

- **How much house can I afford?**
 - A trusted mortgage advisor will walk you through the entire home buying process, answer all of your questions, and help calculate how much home you can afford
 - Calculations used to determine price range
 - Front-end Ratio – the maximum allowable mortgage payment your budget allows*
 - Back-end Ratio – the maximum total of monthly payments your budget allows*
- **Calculating a comfortable mortgage payment**
 - Get help understanding how the loan amount, loan term, and mortgage product type affects your monthly payment
 - Learn how much taxes, insurance and PMI add onto your principal & interest mortgage payment
- **How much downpayment do I need?**
 - Review various mortgage products with your advisor. Each has a minimum downpayment required
 - Calculate mortgage payments based on different down payment scenarios



Review Your Credit and FICO® Score

- **Mortgage credit reports**
 - Your FICO® score determines the rate you will qualify for on your mortgage loan
 - All three credit bureaus (TransUnion®, Equifax® and Experian®) are used when reviewing your credit
 - The highest and the lowest scores are not used; only the “middle” score is used when qualifying for a home
 - All borrower’s scores are pulled at the time of application
- **Build & maximize your credit score**
- **Freeze once you start the loan process**
 - Don’t be late on any credit payments
 - Don’t open any new credit cards
 - Don’t make any large purchases on credit



3 Down Payment

- **Typical sources of a downpayment**
 - From your personal savings
 - A gift from immediate family members – check with your mortgage advisor
 - From the sale of your existing home
- **Look into downpayment assistance programs**
 - Do your research and talk to your mortgage advisor
 - First time home buyers may qualify for additional programs
- **Set up a dedicated account**
 - Look for a savings account that pays interest
 - Use this account for mortgage savings only, so you can easily measure your progress
 - Put savings on auto pilot – automatic withdrawal that pulls money from your checking account at regular intervals
 - Dedicate windfalls (tax refund, commissions, bonuses) to your downpayment account

4 House Hunting Tips

- **Find a Real Estate Agent**
- **Set your priorities and stick to them**
 - Involve all family members when developing your “must-have” list
- **Shop online**
 - Get a feel for the market conditions – pricing, activity, time on market
- **Make a comparison chart**
 - Take notes during each showing and see how each house stacks up
- **Walk throughs**
 - Go through the entire house once and let yourself soak it all in. Mentally note your first impressions of each space. Don't take notes, just pay attention to your experience
 - Go back to the beginning and start again. Start by entering in the front door. This time, take notes and approach the house as if you were an inspector rather than a buyer
 - Take photos to review later
 - Open all closets and cupboards
- **Drive throughs**
 - Drive through the neighborhood at different times of the day. Morning commute, afternoon, evening activity



Preparing For Your New Home

- Ask your Realtor to provide a list of contacts - utilities, service providers, local resources
- Shop for Homeowners Insurance
- Set up an Emergency Fund for unexpected expenses
- Schedule new service installation for all utilities - TV, Internet, Electric, Gas, Trash, etc.
- Connect major appliances, locate the fuse box and main water valve
- Have tools – lawn, minor repairs, picture hanging

- Change air and water filters and entry door locks
- Thoroughly clean each room before moving in your furniture
- Change your address at the Post Office
- Update your driver's license and car registration with your new address
- Review current service providers and make necessary changes to increase convenience
- **Celebrate!**