

Home Purchase Considerations:

Income: Do you have a stable, monthly income and solid job history?

A two-year job history is preferred for most loan products. Also, regulations require we verify your income with a third-party source. Would you be able to provide recent paystubs and W2s from your job? Or if you are self-employed a two-year tax history showing steady income? When calculating your budget, do not forget that you'll have property tax and insurance expenses added to your monthly mortgage payment as well.

Savings: Do you have sufficient savings for a down payment and closing costs? What about updates or unexpected costs that might occur after you have moved into the home?

The amount of your down payment can vary between 3-20%; some programs will even allow \$0 down. However, if you are putting down less than 20% you may have to pay Mortgage Insurance (MI)* and that premium is added to your monthly mortgage payment.

Credit: Does your past and current credit situation put you in the best position to purchase a home?

Most conventional loan programs have a minimum credit score requirement of 620. While other options are sometimes available for lower scores, you will likely pay a higher interest rate. Also, do not plan on making any large purchases or increase your credit card balances drastically prior to or during your loan application process. These events can lower your credit score as well as increase your monthly debt obligations and put you at risk for not qualifying for a home loan.

*Mortgage insurance dependent of type of loan