



REAL ESTATE ANTHONY
Commercial, Residential, Senior Living, Apartment Services



**ARE YOU
READY TO BUY?**



ANTHONY TAYLOR, SR.

When it comes to buying a home, you will be faced with many decisions. Take some time first to know whether you are actually ready to buy a home. Make sure you find a realtor to work with you. Finding the right home is not always easy, and getting the right mortgage loan can be very time-consuming and complicated. By hiring a realtor this will take most of your worrying away.

Do you know what's a mortgage loan? A mortgage loan consists of a borrower taking out a loan and signing documents stating promising to repay the loan.

Now when a lending institution makes your loan, it has determined that there is a good chance that you will and can keep that promise.

All lenders know it does not help you or them if you are given a loan, but then, for any reason, you can't really pay for it!

You need to make sure that you will be able to repay the loan. Your lender will look at many different pieces of information about you. When you reach this point it is called "underwriting." The information the lender will be looking for is how well you have paid your bills in the past. If you paid them on time the lender will know that you will repay your debts in the future.

Having a steady job

It always helps to have a steady job, because this will help you keep your promise to pay back your mortgage loan. Two years at the same job is considered to be steady employment. Lenders will need to know all about your job history, because your job history will be a major factor in getting you to qualify for a loan. Let your loan office know if you have not been working for two years and he or she will look for an explanation.

There may be a few good reasons for not working steady for two years. Reasons such as just finishing school, working seasonally for a company, a recent discharged from the military. There are many other acceptable reasons.

Pay your bills on time

Paying your bills on time gives the lender some indication of how you can be expected to pay them in the future.

Know your credit report

Sometimes credit reports are inaccurate, or they can give a misleading picture of your past credit problems that you have already solved. You should request a copy of your credit report. By doing this it will help you find errors before it's time to buy your home.

Save some money for your down payment

It's best to have money saved for your down payment and "closing costs." Your down payment may vary, but generally you must make a down payment that equals at least 5 percent of the purchase price. You will need money for the closing costs. Sometimes a property seller might be willing to pay part of your closing costs.

Making sure you can afford to pay a mortgage

Always remember the amount of your monthly payment depends on the amount you borrow, the interest rate, and the repayment period or term to pay. A shorter term means your monthly payments will be higher. Many homebuyers choose the long-term, which is usually 30 years. Your monthly mortgage will be lower by choosing the 30 years long-term.

Tips for buyers

Your monthly housing costs including mortgage payments, property taxes, homeowner's fees and mortgage insurance should total no more than 28 percent of your monthly gross (before taxes) income.

Your monthly housing costs plus other long-term debts such as payments on student loans, payments on car or truck loans' or other debt (debts with more than 10 months left to repay) should total no more than 36 percent of your monthly gross income.

Sometimes depending on your household income, you may be eligible for special assistance programs. Ask your "**Realtor.**" These programs may make it easier for you to get a larger mortgage loan than you normally would, using the above qualifying rules.

You're ready now! You may be ready to begin the home buying process.

Call Anthony, your local realtor, to show you homes in your area.

Contact him at 713-723-2737 or realestateanthony@juno.com.