



Step 1: What Can I Afford?

Get started by evaluating your financial situation and setting a budget

Step 2: Finding an Affordable Property?

Discuss the types of homes available to you and get some valuable house-hunting advice

Step 3: Home Buyer Counseling

Learn about the benefits homebuyer counseling

Step 4: Getting Pre-Qualified

This quick check will determine your eligibility for a MassHousing loan and will put you in touch with an approved lender.

Step 5: Making an Offer

Discuss all aspects of the offer process, from preparation to negotiation to the agreement itself.

Step 6: Applying for a Mortgage

Learn about the various loan types available, what's expected of you and what you can expect from the mortgage application process.

Step 7: The Home Inspection

Find out what you can expect during the home inspection, and discuss what to do with the information it reveals.

Step 8: The Closing Process

Learn about walk-throughs, loan closings, title transfers and everything else involved in the final steps



MORTGAGE MASTER

THE LENDING EXPERTS

Purchasing a property requires both you AND the property be approved

- Your income, assets, and credit
- Your property: clear title, must meet minimum standards

Importance of your personal Budget

- DTI – “Debt to Income” ratio - this is your total housing expense divided by your gross income
 - Your “front” ratio is your total housing expense
 - Your “back” ratio is your total housing expense plus your other monthly obligations

Example:

If you have a salary of \$60,000/year, that means you make \$5,000/month. Your housing payment should be \$1,500. Your housing expense including all other monthly obligations should not exceed \$2,050.

Importance of your Credit Report

- 640 is considered the minimum for FHA financing
- 680 is considered the minimum for conforming loans (\$417,000)
- 720 is considered the minimum for jumbo, non-conforming loans

Downpayment and Savings

- Downpayment amount required will depend upon your credit and your DTI
- Where is the money coming from?
- All money needs to have acceptable source
- Closing costs and prepaid items are above and beyond the downpayment amount

Mass Housing – Sign up for 1st time homebuyer course as soon as you can

- www.masshousing.com

The mortgage approval process involves an entire team. It is important to work with people that you trust.

