

How much home can you afford?

There are several loan programs available, and depending on your credit history, there is bound to be one that is perfect for you. Here are a few examples of the most popular programs offered:

Fixed-Rate Loans

The fixed-rate mortgage is the most popular mortgage program in use today. Fixed-rate loans offer the borrower a fixed interest rate for the life of the loan, typically 15 to 30 years. Borrowers have peace of mind knowing that their monthly payment will not change over time. Conventional fixed-rate mortgages have underwriting requirements established by Freddie Mac and Fannie Mae, and require certain down-payment and debt-to-equity ratios to qualify. Fixed rate loans are especially attractive to buyers who plan to stay in their home for more than a few years.



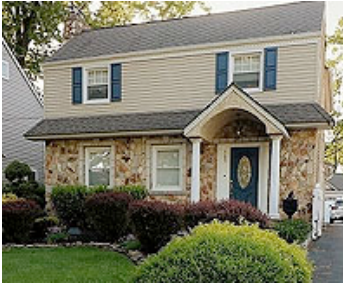
Adjustable Rate Loans

With an Adjustable Rate Mortgage (ARM), the interest rate changes periodically, and payments go up or down accordingly. Rates are tied to an index that reflects the cost of money at any given point in time. Generally speaking, lenders charge a lower initial interest rate for the ARM than for the fixed rate mortgage. If you are expecting interest rates to decrease in the future, or if you are trying to maximize your purchase power today knowing your income will rise in the future, then this loan may be right for you. Adjustable rate loans are attractive for buyers who expect to be in the home for a short period of time.

FHA and VA Loans

The Federal Housing Administration (FHA), offers loans for low-to-moderate-income home buyers. FHA loans have lower down payments, and have relatively easier requirements than conventional fixed-rate mortgages. FHA mortgages have no income restrictions and even those with lower credit scores may be considered. Past bankruptcy does not necessarily disqualify borrowers from using this program! In addition, the Department of Veterans Affairs (VA) offers a zero-down mortgage program. To take advantage of this program, borrowers

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need to be among those listed as veterans and service personnel in the U.S. military. One of the biggest benefits of this program is that it eliminates the need for private mortgage insurance!

Local Homebuying Program

There are often many state and local programs available. These programs offer down-payment assistance and programs for local home ownership. Learn more about these local programs, recommended lenders, and other finance options by contacting us today!



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