



Stress-Free Mortgage Tips

You've waited long enough for this moment – your first home purchase! Buying a home for the first time is often an exciting milestone for one's life. However, the home-buying process has many steps that can cause stress while trying to avoid all the pitfalls, especially if you've never done it before. Here are a few tips for your stress-free mortgage journey.

Maximize your credit score

Your credit score is one of the most critical factors that will determine your pre-approval chances, your interest rate, and possibly your loan terms. Before applying for a mortgage, pay off outstanding debts such as your student loans and credit cards. At this time, avoid opening new credit accounts or purchasing a car with an auto loan, etc. If you need to make major purchases, wait until your home loan closes.

Work with a loan advisor

Explore your options with a loan advisor at your bank, credit union, or another financial institution. Professional loan officers have a working knowledge of the local market, and they can answer your questions and help you with the application process.

Determine your budget

Rather than finding a dream house first, only to be disappointed because it is out of your price range and an unwise financial decision, begin by

determining what you can afford. Keep in mind that there are more costs involved in buying a home than just the down payment—For example, closing costs, property taxes, insurance costs, homeowner’s association fees, etc.

Get competitive mortgage rates

Do your research and find out what mortgage rate options are available to you. At Lampco Federal Credit Union, you can apply to get competitively low rates for home purchases, refinancing, or new construction costs. You can also ask about various mortgage products, including a fixed-rate jumbo loan, new construction, conventional, FHA, VA, and USDA programs. Do your homework and learn what works best for your future home-buying plans.

Get pre-approved

When you get pre-approved for a mortgage, it means you have an estimate of how much you can borrow from a lender based on your income, credit score, and debts. By getting pre-approved, you allow the lender to examine your finances and to give you a written confirmation for how much they will lend you and under what terms. It also shows the seller of the house that you are serious about buying a home. In many cases, the seller may prefer to take your offer over others who are not pre-qualified.

Whether this is your first time or third time buying a house or you are trying to refinance, if you feel stressed about working with mortgages, give us a call at Lampco Federal Credit Union: 765-649-9226. Our mortgage advisors will help your experience be as seamless as possible.