

# FIRST TIME HOMEBUYER

## Cheat Sheet



### 20% Down is Not Required

Talk to a mortgage professional about your options. 61% of first-time buyers last year put down 6% or less, and 66% of buyers said getting approved for a mortgage was easier than they expected (source: NAR®).



### Get Pre-Approved by a Lender

The "Pre-App" shows REALTORS® that you are ready to shop for homes. It also signals to sellers that you are a serious and capable buyer.



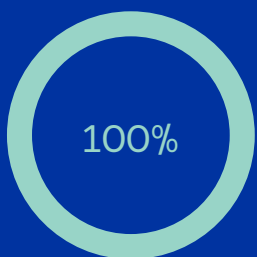
### Don't Forget about Closing Costs

Along with your down payment, you'll need cash for closing costs. These fees are typically 2 to 5% of your purchase price. Sometimes sellers will pay closing costs as part of the deal. Work with your REALTOR® to see what's possible.



### Lender Points vs. Credits

Discount points are fees paid to a lender in exchange for a lower interest rate, so you pay less on your loan over time. Alternately, with credits you pay the lender a higher interest rate in exchange for cash up front that you can put toward your closing costs.



### Know Your All-In Payment

PITI stands for Principle (amount you borrow), Interest (fee you pay to borrow), Taxes (property taxes) and Insurance (homeowner's coverage). Your monthly payment may also include mortgage insurance, flood insurance or HOA dues.



### Downpayment Sources

- Personal savings
- Gifts from family & friends
- Tax return
- 401K/retirement account
- Down payment programs



[DownPaymentResource.com](http://DownPaymentResource.com)



### Always Work with a REALTOR®

Your agent will guide you through the process and advocate on your behalf so you can go from shopping for a house to owning one.