

Do Your Homework

The information in this brochure was taken from the GINNIE MAE website at www.ginniemae.gov, a great site for information and affordability calculators.

After you "do your homework", consult with a respected mortgage banker/broker like Tony Salerno at BancGROUP Mortgage.

As Banker/Brokers, we survey rates from over 30 different lenders daily. We've done the "homework" already and know the programs they offer. We'll help you choose the lender with the best program and rates for your specific need.

You can try to do it all yourself...
Or let a trusted professional like Tony do the leg work for you!

Call **Tony Salerno** to start the **NO COST** Pre-Approval process today.



Call Today For All Your Home Purchase and Refinancing Needs!!!



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Illinois Residential Mortgage Licensee



**ARE YOU
READY TO
BUY?**

***Helping People
Realize Their
Dreams...***

...Everyday

*What You Need To Know
On the Road to Home Ownership*

Call (630)688-3455

Are You Ready To Buy?

Most people who rent the home in which they live could afford to buy a home with the right planning.

In order to know about your home buying potential, it will be useful for you to take a look at your income, savings, monthly expenses, and debt. All of these are important factors in how much mortgage you can afford and also in how purchasing a home can affect your monthly budget.

Together the following **four** categories are a guide that will give you a better understanding of your financial situation.

1) Review your income.

Purchasing a home may require that you have a certain amount in savings that can be applied to your down payment and closing costs. If you don't have a lot of cash available, there are loan programs available (especially through FHA and VA mortgage programs) that do not require much cash payment at closing.

Income Category	Monthly
Borrower's Salary	
Co-Borrower's Salary	
Taxable Interest	
Investment	
Dividends	
Other Income	

2) Review your savings. A little savings can help a great deal when planning to purchase a home. There are costs that you cannot finance through your loan; you have to pay those at closing, the day that you buy your home.

Savings Category	Monthly
Savings Account	
Checking Account	
Retirement Fund	
Contributions	
Stocks, Mutual Fund	
Investments	
Other Savings	

3) Expenses may increase. The purchase of your home will change how much you will need to spend on expenses every month. If you have trouble saving now, your finances may be too tight with the purchase of a home. Some questions to ask yourself:

- ☞ How will the purchase of a home affect my monthly budget and my ability to save?
- ☞ Can I cover the additional expenses that the purchase of a home will bring?
- ☞ Do I expect to maintain a stable income for the foreseeable future?

4) Review your debts. Consider how your debt in relation to your income will influence a lender's decision on your mortgage loan amount. Carefully consider how additional debt from house payments, on top of your existing debt, will restrict your lifestyle.

Expense Category	Monthly
Utilities	
Car Expenses	
Insurance	
Medical Expenses	
Clothing	
Taxes	
Entertainment	
Child Support	
Food/Purchases	

Lenders will review your income, debt, and savings information and credit history to determine how much money they are willing to lend you towards your home purchase. Lenders will provide you with an estimate on how much you can qualify to spend toward the purchase of a home. This estimate is the maximum amount that the lender is willing to lend you.

Debt Category	Monthly
Credit Card	
Car Loans	
School Loans	
Alimony/Child Support	
Other Personal Debt	

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