

Mortgage Myths

BUSTED

HOMEBUYERS BEWARE:

There are a lot of myths surrounding mortgages these days. That's why we're separating fact from fiction — so you can start homebuying confidently.



You need a 20% down payment



FACT: There are a variety of mortgage options that allow borrowers to purchase with as little as 3% down or 0% down if you qualify for a VA loan.



Your credit score must be perfect to receive approval



FACT: Though a higher score can help you access better rates, some lenders and loan programs may have minimum scores that range from 620 to 650.



Pre-qualification is the same as pre-approval



FACT: Pre-qualification can provide an estimate of the amount of mortgage you may be approved for, but pre-approval verifies your finances and provides a specific loan amount you can borrow and moves you closer to mortgage approval.



These days, it is cheaper to rent than it is to own a home



FACT: When you rent, you are essentially paying for your landlord's mortgage. However, buying a home helps you build equity, earn tax benefits, and invest in your financial future.



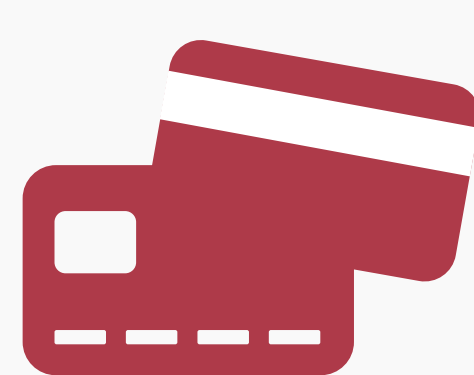
It's hard to get a mortgage through a Credit Union



FACT: Many credit unions make ideal lenders offering numerous benefits, including open membership, exclusive interest rates, and personalized services.



You won't qualify for a mortgage if you have debt



FACT: Lenders look at your total debt-to-income (DTI) ratio and do not rely on the fact that you have loans. A history of proper debt management can increase approval odds.



The mortgage process is long and difficult



FACT: The right lender can help ensure a smooth homebuying experience. From pre-approval to closing, they can be there to help you through every step of the process.