



MORTGAGE REPORT

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Compliments of: Premier Funding Network

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Several Tips for a Successful Home Mortgage

When it is time to apply for a home mortgage, this process can certainly be overwhelming. A home loan will probably be the biggest debt of your life. This fact in itself may be hard to digest. So, too, is the process of getting all of your paperwork ready in order to get a pre-approval on a loan. There are ways you can make this process a little less daunting by avoiding some common mistakes.



1.) Ignoring your credit score. There is no reason to go into a lender's office unprepared. Request a copy of your credit report well before you are thinking about actually applying for a mortgage. You will need enough time to fix any mistakes on your credit report, in order to boost your credit rating. You will need a good credit score in order to secure a low-interest mortgage.

2.) Not doing research on possible federal or state programs available. The government, usually at a state level, will offer a number of grant programs for first-time home buyers. These programs are put in place to help out with closing and down payments expenditures. Find out if you qualify for any of these programs, and you may end up saving thousands.

3.) Not getting pre-approved for a mortgage. Most home buyers get pre-approved mixed-up with getting pre-qualified. Pre-approval means that the candidate has already gone through the loan process and has been granted a loan. In this case, all that's missing is a house. On the other hand, a pre-qualification is only a prediction by a lender on the amount you may be eligible for due to debt/income ratio.

4.) Buying too big. Lenders will often approval an individual for more than they can actually afford. This does not mean you should go and buy the biggest house on the block. Make sure you are in tune with your finances and that you buy within your budget. Remember, as a new home owner you will be responsible for any unexpected damages that occur to the property.

5.) Make sure you review the fees you are getting charged. Bring up the matter with your lender if you feel like you are being unfairly charged with excessive fees.

6.) Being unprepared for closing. Often, home buyers are caught off guard with the actual big-ticket expense of closing costs. These are attorney's fees, title insurance and other such expenses that have to be paid for at the time of closing, when you are handed the deed to your new home. Make sure you prepare for this by getting an estimate of how much this will cost early on in the process.

7.) Not having money put aside for unexpected expenses. Too often, people will spend all of their money on the process of securing a home mortgage and moving into . The house without taking into account any unexpected costs. You are now your own landlord, responsible for any faulty plumbing or water damages, make sure you are financially prepared for any of these surprises.



How Much House Can You Afford?



Borrowers often begin their home search with only the foggiest idea about how much house they can afford. This can result in wasted time and frustration. They should have a rough idea of how much they can afford before they start to shop. The amount you can afford on a house depends on your income, the amount of cash you have for a down payment, and the mortgage terms. These include interest rate, points, down payment, and the maximum allowable ratio of housing expense to income. Affordability is also affected by your existing indebtedness, and closing costs which vary depending on how the loan is structured. Keep in mind that the facts in this article are approximate and will vary somewhat from case to case.

The table below provides a very rough ballpark estimate of how much house you can afford with a 5% 30 year fixed rate loan. The table shows cash required for the minimum down payment and closing costs, total monthly housing expense, the minimum income required to cover housing expenses, along with the maximum amount of debt with that income.

To afford a \$400,000 house, for example, you need about \$54,400 in cash, which assumes a 10% down payment. Your monthly income should be at least \$8,900, and your monthly payments on existing debt (auto, credit cards) should not exceed \$895.

These are very rough estimates because the assumptions used may not correspond exactly to your situation.

The table assumes that you push your buying power to the max, which may or may not be what you want to do. In particular, the table assumes that your down payment will be the lowest required.

To Spend This To Meet a Down Payment Requirement.. Amount on a House...	You Need At Least This Monthly Income...	To Cover This Monthly Housing Expense...	Other Monthly Debt Payments Should Not Exceed...	And You Need at Least This Much Cash...	To Meet a Down Payment Requirement..	And Closing Costs
\$400,000	\$8,900	\$2,506	\$895	\$54,400	\$40,000	\$14,400
350,000	7,120	2,193	785	47,600	35,000	12,600
300,000	6,700	1,880	670	40,800	30,000	10,800
250,000	4,200	1,325	560	34,000	25,000	9,000
756,000 purchase	With an FHA loanup to 729,750				
729,750	14,000	4767	1350	45,000	25,500	20,500

Things that make you go... “Hmmm”

Life Styles of 500 Years Ago. Be happy you live In the 21st century.

The next time you are washing your hands and complain because the water temperature isn't just how you like it, think about how things used to be. Here are some facts about the 1500s:

Most people got married in June because they took their yearly bath in May, and they still smelled pretty good by June. However, since they were starting to smell, brides carried a bouquet of flowers to hide the body odor. Hence the custom today of carrying a bouquet when getting married.

Baths consisted of a big tub filled with hot water. The man of the house had the privilege of the nice clean water, then all the other sons and men, then the women and finally the children. Last of all the babies. By then the water was so dirty you could actually lose someone in it. Hence the saying, "Don't throw the baby out with the bath water!"

Houses had thatched roofs-thick straw-piled high, with no wood underneath it. It was the only place for animals to get warm, so all the cats and other small animals (mice, bugs) lived in the roof. When it rained it became slippery and sometimes the animals would slip and fall off the roof... Hence the saying "It's raining cats and dogs."

There was nothing to stop things from falling into the house. This posed a real problem in the bedroom where bugs and other droppings could mess up your nice clean bed. Hence, a bed with big posts and a sheet hung over the top afforded some protection. That's how canopy beds came into existence.

The floor was dirt. Only the wealthy had something other than dirt. Hence the saying, "Dirt poor." The wealthy had slate floors that would get slippery in the winter when wet, so they spread thresh (straw) on floor to help keep their footing. As the winter wore on, they added more thresh until, when you opened the door, it would all start slipping outside. A piece of wood was placed in the entrance-way. Hence: a "thresh-hold."

Sometimes they could obtain pork, which made them feel quite special. When visitors came over, they would hang up their bacon to show off. It was a sign of wealth that a man could, "bring home the bacon." They would cut off a little to share with guests and would all sit around and "chew the fat".

Those with money had plates made of pewter. Food with high acid content caused some of the lead to leach onto

the food, causing lead poisoning death. This happened most often with tomatoes, so for the next 400 years or so, tomatoes were considered poisonous.

Bread was divided according to status. Workers got the burnt bottom of the loaf, the family got the middle, and guests got the top, or the upper crust. Hence the term "the upper crust".

Lead cups were used to drink ale or whisky. The combination would sometimes knock the imbibers out for a couple of days. Someone walking along the road would take them for dead and prepare them for burial. They were laid out on the kitchen table for a couple of days and the family would gather around and eat and drink and wait and see if they would wake up. Hence the custom of "holding a wake."

England is old and small and the local folks started running out of places to bury people. So they would dig up coffins and would take the bones to a bone-house, and reuse the grave. When reopening these coffins, 1 out of 25 coffins were found to have scratch marks on the inside and they realized they had been burying people alive. So they would tie a string on the wrist of the corpse, lead it through the coffin and up through the ground and tie it to a bell. Someone would have to sit out in the graveyard all night (the graveyard shift.) to listen for the bell; thus, someone could be, "saved by the bell" or was considered a "dead ringer."

We hope you are not offended by the wording in this next section, but it is true history and we think you will find it interesting and amusing.

In the 1500's they used to use urine to tan animal skins, so families used to all pee in a pot & then once a day it was taken & sold to the tannery. If you had to do this to survive you were called "Piss Poor."

But worse than that were the really poor folk who couldn't even afford to buy a pot.....they "didn't have a pot to piss in" & were the lowest of the low.

And that's the truth....Now, whoever said History was boring !!!



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