



Article Side

Five Things to Keep in Mind when Applying for a Mortgage by [Jess Hall](#)

Article published on November 29th 2011 | [Finance](#)

Applying for a mortgage can be daunting. The more you know the less confusing and intimidating it will be. You're more likely to get a great deal when you arm yourself with the right information. Whether you've gone through the process before or it is your first time, there are certain things that you need to consider before you actually apply. Five of the most important ones are highlighted below for your convenience.

How Much can You Afford?

The first thing that you need to determine is how much house you can afford. The last thing you want to do is overextend yourself financially. You should be able to comfortably afford your mortgage payment. Many different costs can be rolled into a home loan. The simplest and easiest way to figure out how much you can afford is by using an online calculator. Just plug in the requested information and wait for the results, which should appear instantaneously. This will give you a rough idea about how much you can afford, which will make the process easier.

Take Care of Your Credit

Remember that the information on your credit report can change quickly. In the months, weeks and days leading up to applying for a home loan, be exceptionally careful. Do not apply for or open any new accounts. At the same time, do not close any existing accounts. What you should try to do is get your credit card balances as low as possible. Above all else, keep a close eye on your credit report and your credit scores.

Understand Your Options

It's critical to be as educated as possible when applying for a mortgage loan. If you arrive without having a clue about things like points, fixed-rate loans and adjustable-rate loans, you will be in way over your head. You can learn a great deal about these topics by doing a little research online. It is also worth it to sit down with a mortgage professional to gain a clearer understanding about the various options that are out there. You don't have to understand every last nuance, but you do need to have a decent understanding if you want to get the best loan possible.

Save Your Money

While many lenders require down payments of at least 20 percent, not all of them do. However, it's smart to put down as much money as possible when buying a home. The less you have to finance the better off you will be in the long run. In the period of time prior to applying for a mortgage, save every penny that you can. The amount that you can put down will be taken into account when applying for a loan, so it's worth it to save as much as you can.

Keep Your Job

Lenders prefer to see solid employment histories from those who apply for home loans. As long as you have control over the situation, you should do everything you can to hold on to your current job. The worst thing that you can do is to quit your job prior to applying for a mortgage. While you may still qualify, your options will be a lot more limited. Keep plugging away at your job to show lenders that you are capable of handling a home loan.

All too often, people are so concerned about qualifying for home loans that they lose sight of the fact that they need to shop around for great deals. Don't sell yourself short. Keep the preceding points in mind to ensure that you get the best home loan possible. You'll find that it's well worth it.

Article Source:

<http://www.articleside.com/finance-articles/five-things-to-keep-in-mind-when-applying-for-a-mortgage.htm> - [Article Side](#)

[Jess Hall](#) - About Author:

Jess Hall is a personal finance writer located out of Jersey City. She likes to share with others how she achieves a financially fit lifestyle. Her latest articles are geared to new homeowners looking to apply for a [mortgage](#) and get competitive rates. Other articles that she likes to read include a <https://www.aurorabankfsb.com/articles/home-loans/low-interest-mortgage-loans-%E2%80%93-reduce-your-current-rate-0>

Article Keywords:

mortgage

You can find more [free articles](#) on [Article Side](#). Sign up today and share your knowledge to the community! It is completely FREE!