



# The Voice of Real Estate

The Value of a REALTOR®



## WHICH LOAN IS BEST FOR YOU?

In today's lending world, there are multiple options for available types of loans to purchase or refinance a home. Loan options range from your

standard conventional loan, to your government loans like VA, FHA and USDA. Most of the time, with a quick Google search you can get the outlining parameters for each loan, but in order to get the best advice for your area, talking with a REALTOR® is your best option.

Often we hear that a borrower must come in with a down payment of 20% or more in order to qualify for a home loan. This statement is far from the truth. Depending on your area, there are loan options from 0% down to 20% down and everything in-between.

Each loan will have their own set of guidelines and requirements. A lender will need to determine your intent of the property; primary, secondary or investment. From there, the lender will determine your income, debt, credit, down payment, sales price, type of property and even the location of the home to determine which loan(s) works best for you.

*There are specific requirements for each loan.*

### Example #1:

FHA has loan limits for each county. Therefore, knowing what the sales price is and eventual loan amount is crucial! FHA loans are designed for a borrower who is looking to get into a home with a minimal down payment and may not qualify for another low down payment option, like USDA.

### Example #2:

USDA loans have to fall in a rural area that is determined by USDA. Also, they have an income limit, making it very important for a lender to determine your gross monthly/annual income. USDA loans are designed for the borrower with minimal available funds looking to obtain 100% financing.

At times, a borrower may only qualify for one type of loan. Other times that borrower may qualify for multiple types of loans. At that point, it is up to your lender and you to make the choice as to which loan best fits your situation and your needs. If you are interested in a purchase or refinance, consult your REALTOR® or Mortgage Lender for their advice and knowledge. ***You may be closer to homeownership than you think!***

If you are currently working with an agent this mailing is not intended as solicitation.



### DID YOU KNOW?

You **don't** need 20% down to buy a home in Idaho.



### YOU COULD QUALIFY!

You don't have to be perfect to qualify for a home loan.



### DOUBT VS. REALITY

Don't listen to your doubts, the reality of homeownership is much closer than you think.