



# The Relocation.com Mortgage Checklist

Securing a mortgage is a daunting yet manageable task if you do your homework and know what to expect. Here are the 6 major parts of the mortgage process, and what you need to know at each step along the way.

## 1. Get **organized**. You need to show you're good for the money, so gather:

- Three most recent paystubs
- Three most recent bank statements
- Three most recent brokerage statements
- Three most recent credit card statements
- Information on other loans (student loans, etc)

(Your mortgage company might ask for more or less documentation, be sure to ask)

## 2. Determine **what you can afford**

- Compare your income to your expenses. Housing expenses shouldn't exceed 28% of your gross monthly income; overall expenses shouldn't exceed 36% of gross income
- Determine a down payment you can afford (banks now are looking for 5% to 20% of the home's value)
- Learn your credit score and its effect on your mortgage. This will affect the terms of your loan
- Based on these, determine what you're comfortable paying

## 3. Choose a **mortgage broker**

- Ask friends for recommendations
- Find someone who's willing to explain the process step by step

## 4. Pick a **type of mortgage**

- Fixed rates, ARMs and more. Learn the lingo and choose what's most reasonable

## 5. Lock in **Your Rate**

## 6. Before signing that dotted line, understand all the **costs of owning**:

- Closing costs
- Attorneys fees
- Real estate taxes and insurance
- House upkeep

### Read More:

Relocation.com's Mortgage Central (link: [http://www.relocation.com/library/mortgage\\_guide/](http://www.relocation.com/library/mortgage_guide/))

Mortgage Calculators (link: <http://www.relocation.com/mortgage/calculators.html>)