

# CONDO WITH CONFIDENCE

A Condo Buying Guide







# THE NUMBERS GAME

Buying a condo is all about the numbers. How big of a mortgage payment can your finances manage? There are three key figures that determine how much home you can afford. Let's take a closer look.

## **Credit Score**

Your credit score is what helps a lender determine whether or not you qualify for a loan. The higher your credit score, the more likely you are to qualify for a mortgage and get a better interest rate. You can check your score once a month for free on certain sites

or talk to your personal financial institution before starting your homeownership journey. This way, you will know if you need to build up your credit before applying for a loan.

## **Mortgage Interest Rate**

Mortgage interest rates are an essential factor of homebuying. Many lenders advertise low rates, however, the prices you see online actually vary based on your financial situation (i.e. credit history and income). The mortgage interest rate you end up getting also depends on the market conditions at the time of your application.

## **Debt-to-Income Ratio (DTI)**

Another critical piece of the mortgage puzzle is your DTI, or your monthly debt payments compared to your income. To find your DTI, add up all of your monthly debts and divide that number by your gross monthly income. Most lenders consider 43% or lower to be an acceptable DTI.

# THE DOWN LOW ON YOUR DOWN PAYMENT

You've probably been told at some point in your life that you have to put 20% down to purchase a home. Well, guess what. You don't! If you can afford a 20% down payment, by all means go ahead. However, at PrimeLending, we offer home loan programs that start at zero down.

Program	Benefit
FHA	Low minimum credit score requirement. Low minimum down payment requirement. Insured by the Federal Housing Administration.
VA	Guaranteed by the U.S. Department of Veterans Affairs. Borrowers can finance 100% of their home.
USDA	Home buyers' assistance for those in rural and suburban areas who may have lower incomes.
HomeReady® by Fannie Mae	Borrowers can use additional income sources from family members who live in the home, but aren't listed on the loan, in order to qualify. Can also use funds from gifts.
Freddie Mac Home Possible®	Down payments can be funded via gifts or grants.





# CONDO MORTGAGE BASICS

Buying a condo is just like buying a home, with a few caveats. In addition to regular mortgage documentation, like proof of your finances, you will need to submit the following to your loan officer:

- Condo questionnaire (provided by loan officer)
- Master policy with building, liability, and fidelity coverage
- Current budget on a condo project manager (CPM) review
- Condo recorded documents (if it is a new project)
- Declarations and/or Covenants, Conditions and Restrictions (CC&R's)
- Bylaws
- Plat map
- Current budget

PrimeLending's in-house condo department will look at these documents to streamline approval and condo project eligibility.



# THE PROCESS

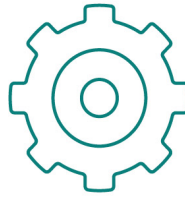
You can house hunt online. Shouldn't you be able to apply for a mortgage online too? We certainly think so. Our digital mortgage process ensures you personalized service with the speed of a digital platform from the moment you apply to the day you close\*.



**Application Process**



**Confirm Property Information**



**Processing and Underwriting**



**Sign and Close**






# BUYING CON-DOs

It's easy to feel overwhelmed when buying a condo. We're here to make sure you keep your head above the water. Check out these condo buying tips:

- Look at the property as a whole
- Talk to condo owners in the building
- Read all of the building's bylaws, regulations, and HOA rules
- Seek out experts in the condo industry
- Learn from others when it comes to renovating
- Put your best foot forward to enjoy the community







# HOME-OST THERE

**You're almost home. Let PrimeLending help you the rest of the way. Our experienced team is dedicated to providing you personalized guidance, professional service and timely results at every step of the condo buying process.**





# READY TO OWN A PLACE THAT YOU CAN CALL HOME?

**Talk To A Primelending Loan Officer  
Today To Get Started.**

\*eClose allows for electronic signing of most (not all) documents prior to closing.



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