

Did You Know Your Credit Score Can Impact Your Real Estate Financing?

YOUR CREDIT SCORE MATTERS TO MORTGAGE LENDERS

Your credit score affects nearly every aspect of financial decisions, but did you know it could greatly affect you when you apply for a home loan? Your credit score is a key factor when a mortgage company determines the interest rate at which you borrow a loan. When a mortgage company runs your credit, it is to determine the amount of risk involved in lending you the money and the type of loans you qualify for.

With a low credit score, you may not qualify for better interest rates. This could mean ending up paying more money over the term of your mortgage. Even with rates near historic lows right now, the difference between 3.5% and 3.75% can add up, especially if you're applying for a 30-year fixed-rate mortgage.

It is imperative that you know your credit score before applying for a home loan. If you happen to have discrepancies or a low score, it could take weeks or even months to improve your score. Please consult your licensed credit professional.



Credit Score

Excellent
 Average
 Poor

330 - 830

THIS IS HOW YOUR CREDIT SCORE IS CALCULATED:

Payment history (35%) — Have you paid your bills on time?

Amounts owed (30%) — What is your overall debt?

Length of credit history (15%) — How long have you been borrowing money? Mortgage lenders like to see a long credit history.

New credit (10%) — Have you applied for new credit?

Types of credit used (10%) — Lenders like to see all kinds of credit types: bank cards, car loans, student loans, and more.

<http://www.zillow.com/mortgage-learning/mortgage-credit-scores/>

http://www.huffingtonpost.com/herdwallet/how-your-credit-score-aff_b_12360228.html

<https://www.discover.com/credit-cards/resources/credit-scores/education/understanding-credit-scores/>

Contact me today to get pre-approved or to see how your credit score impacts your real estate financing!

Disclaimer: Rates are dependent on the current market situation and cannot be promised while scores are improving. This piece of information was prepared for general informational purposes only and was gathered from the sources listed above. This information does not constitute as legal, tax, or financial advice. It cannot replace the advice of competent legal counsel or a tax advisor or finance professional licensed in your state. This information is provided "as is" without warranties, expressed, implied, or statutory. Any and all implied warranties of merchantability or fitness for a particular purpose are hereby disclaimed.

BEHL



Cindy Allen - The Allen Team

Senior Loan Officer

NMLS #452448

434 Hale Ave Suite 100

Oakdale, MN 55128

Direct: 651-245-3940

lois@the-allenteam.com

www.the-allenteam.com

HOME LOANS
bay equity
THE CINDY ALLEN TEAM



Equal Housing Lender. This is not a commitment to lend or extend credit. Restrictions may apply. Rates may not be available at time of application. Information and/or data are subject to change without notice. All loans are subject to credit approval. Not all loans or products are available in all states. Bay Equity LLC, 28 Liberty Ship Way Suite 2800, Sausalito, CA 94965; NMLS ID#76988. Minnesota Residential Mortgage Originator License #MN-MO-76988.1; Minnesota Residential Mortgage Servicer License #MN-MS-76988.2; click here: www.nmlsconsumeraccess.org/EntityDetails.aspx/COMPANY/76988