

# Home Buying Secrets

## **Inside:**

How Your Credit Report and Credit Scoring Can Affect Your Ability To Buy A Home

How To Save Thousands Of Dollars In Interest And Pay Your Mortgage Off Years Sooner

How To Buy A Home With Zero Down Payment

Don't Get Stuck With A Money Pit!  
Home Inspector Reveals Six Signs That Could Mean Expensive Trouble

# Here's How Your Credit Score Will Affect How Much House You'll Be Able To Buy...

There is a new "buzzword" in the mortgage industry.

Actually, it's two buzzwords: **Credit Scoring**.

In their never ending search to find an easier way to rate a person's financial ability, mortgage companies are using a system called credit scoring (Also called "FICO" scores – I won't even tell you what that means).

When lenders pull up your credit report, they can look at all of the debts that you have, how much you owe, how well you make your payments, and many other things like if you've had any bankruptcies within the last several years.

With your credit report, lenders now get a "credit score" which takes all of this information and creates a "credit score" for you. This credit score is a number that lenders use to decide which types of loans that you will be able to get and be eligible for.

As with all new things, there is controversy over these credit scores.

Some types of loans require that you have a certain credit score to get the loan – no exceptions. And credit scores change over time. As a matter of fact, just applying for credit can lower your credit score.

## Now that you know what a credit score is, here's how to make sure you have the best one possible...

First of all, don't apply for any new credit cards or consumer loans.

Don't go down to the furniture store and take them up on the "No interest, no payments, no nothin' for one year" financing program -- and of all things, don't go out and finance a car!

You can do all of these things after you buy your house and get your mortgage, but for your own sake, don't do it before. Buying things on credit not only hurts your credit score, but it also leaves less money for you to use as a house payment.

Lenders look at this figure also to determine how much money they will lend you, and how much they will charge you to lend it.

So wait until after you've bought your home and moved in to get that new couch or big screen TV-- and there is another reason to wait.

After you buy your home, you can get a loan for up to 125% of your home's value to buy whatever you want.

And when you get a loan against your home, all of the interest you pay is tax-deductible!

# Here's A Way You Can Save Thousands Of Dollars In Interest and Pay Your Mortgage Off Years Sooner!

Most people think when you get a mortgage you're stuck with it for 30 years, but what they don't realize is by using a couple of easy and painless ways to make some extra principle payments you can cut years off the life of your mortgage and save thousands of dollars in needless interest costs. Here are a couple of easy strategies you can use:

## **1. Round up to the nearest hundred**

This is an easy strategy to take advantage of, and the results are dramatic!

Let's say you have a mortgage of \$100,000 over 30 years at 8% interest. The monthly payments would be about \$734 dollars a month. Now, let's see what would happen if you rounded that payment to the next \$100 by increasing your payment by \$66 extra each month.

Just this one simple strategy will save you over \$48,000 in interest payments over the life of your mortgage, but it will also shorten the length of your mortgage by 7 1/2 years!

## **2. Use Your Income Tax Refund To Make One Time Pre-Payments**

Let's say you have that same \$100,000 mortgage, and you have a \$1000 tax refund this year. [very possible with your new homeowner deductions] If you take that \$1000 and apply it to your mortgage...you'll save over \$8600 and shorten your mortgage by 1 year and 1 month! Not bad for a simple one time pre-payment.

## **3. Start Out With a 15 Year Mortgage**

One of the best things you can do -- if you can afford it -- is to start out with a 15 year mortgage instead of 30. It's actually not that much more expensive, and the interest you save is incredible.

With the same \$100,000 mortgage at 8% over 15 years, your payment would be about \$200 more (\$955) and you would be paying \$72,017 in interest over the life of your mortgage instead of \$164,160!

That's worth considering.

# Here's How To Buy A Home With Zero Down

Most people think you need thousands of dollars for a down payment to buy a home, but what they don't realize is there are hundreds of loan programs and, many times, lenders are only interested in showing you the loan programs that are the easiest to process, or pay them the most money.

Consequently, they only work with 3 or 4 loan programs. Loan programs that require 5%, 10% or even 20% down payments!

The one thing you need to know is that you CAN buy lovely homes in City with **ZERO DOWN PAYMENT**.

We specialize in searching out and researching the very best loan programs in the country by continually monitoring over 200 different loan programs to find:

- The Best Zero Down Payment Loans
- The Best Low Down Payment Loans
- The Best Low Interest Loans
- The Lowest Monthly Payment Loans
- The Lowest Total Cost Loans

We make our latest research findings available to you with our **FREE Home Loan Analysis** -- A detailed custom report that shows you the very best home loans for your specific needs and preferences.

## Here's How It Works

To get started, all you have to do is let us know you'd like a FREE Home Loan Analysis

We'll call you back to talk about your needs and preferences in a loan and then we'll prepare a detailed report showing the best scenarios for you.

The information in this report will save you thousands of dollars. Don't settle for just 3 or 4 loan programs, when you can have access to the best loan programs in the country for FREE.

**Don't Get Stuck With A Money Pit!**

# Home Inspector Reveals 6 Signs That Could Mean Expensive Trouble...

Most people think a house that has expensive defects will be very obvious to detect, but often the most expensive defects are hidden and take a little more investigating. Here are six signs to look for when inspecting a house...

## **1. Roof**

Roof problems usually take the form of leaks. These can be difficult to spot from the outside. In fact, the surface of a roof may look perfectly sealed. However, if you view the roof from the attic, you may quickly spot water marks where it is leaking.

## **2. Plumbing System**

A home has two water systems. The first brings fresh water in; the second takes sewage out. Both are vital to your enjoyment of the home, and if either breaks down, repairs can be costly. That's why it's very important that you have a good sense of the condition of the home's water systems before you buy.

## **3. Electrical Systems**

In a modern home, having a working electrical system is absolutely essential. You want to have enough power to operate all your appliances plus any tools you have plus your lights, all at the same time. Also...you want to be assured that you aren't going to get a shock -- or worse -- from your wall plugs or light fixtures.

## **4. Heating and Cooling Systems**

Like the plumbing and electrical systems, the heater and air conditioner are vital to any home -- and they can be expensive to fix if they break down. A thorough home inspection will include an examination of these for problems.

## **5. Bad Paint and Wood Rot**

The face a home presents to the world is composed of its exterior material and the paint that goes on top of it. Inside, the walls are usually made of drywall. By carefully examining the paint coat you can often determine not only whether the home needs cosmetic work but also whether there's an underlying problem. When inspecting it's important to take the time to look at both the outside and the

inside paint. Check several places on several walls. You can learn a lot with just your eyes and a screwdriver for poking.

## **6. Cracks and other scary indicators**

The foundation holds up a home. Quite literally, if your home has a bad foundation, it could fall down. More likely, however, a bad foundation means cracks will appear in walls, doors won't close properly and floors will be uneven. This condition could get progressively worse, lasting for decades, before there is any serious threat of the structure itself collapsing. Nevertheless, a bad foundation is a serious problem for any property and must be assessed carefully. It might easily be the reason that a buyer could demand and a seller could agree to a lower price, if not direct corrective work.