



Selecting a Lender

Even if you think your home purchase is far in the future, it's a good idea to meet with a lender now to explore the loan options available to you and to learn what you can do to become more financially prepared. You might be surprised to find you are ready sooner than you think!

Your lender will determine the amount of loan for which you qualify. This information is important to have before you start looking at homes with a real estate agent. It will save you and your real estate agent a great deal of time since you will be able to focus on the proper price range for your home search.

Choosing a lender is more than just calling around to find who has the best interest rates. Interest rates will change from the time you choose your lender to the time you close on your home — so choose your lender based on your level of trust and comfort with them. Feel free to interview several before making a final choice.

Remember, selecting a lender who is part of the Coastal Housing Partnership network can reduce your closing costs when buying a home!

Your lender will determine how much home you can afford based on:

- The amount of your down payment
- The amount of loan for which you qualify

Get pre-approved.

A loan pre-approval demonstrates loan amount you can afford. A pre-approval is often required to work with a real estate agent and will give you leverage when making an offer on a home. Loan pre-approval is provided free of charge to potential home buyers. The only charge you may incur is a fee to run your credit report.

In securing your pre-approval, the lender focuses on your ability and willingness to repay the loan. The lender will concentrate on your income, assets, credit and debt. Click to further understand income, assets, credit and debt.

[Income, Assets, and Credit History](#)

Once you determine the amount of your down payment and the amount of loan for which you are approved, you will have a good idea of your price range and can more effectively begin looking for a home.

Your lender will explain what loan options are available to you, but here's some valuable information to have some context for that conversation:

[What Determines the Cost of My Loan?](#)

Understand the type of loan.

Understand the type of loan (fixed rate or adjustable rate) that fits your family's needs and suits your risk tolerance. **Click to learn more about types of loans!**

[Types of Loans](#)

[Mortgage Insurance](#)

Down Payment Requirements

Did you always think you needed a 20% down payment to purchase a home? Think again!

There are a number of low down payment options available. If you don't have a 20% down payment, one of the first questions you want to ask the lenders you are interviewing is do they have a number of low down payment programs for you. This is another good reason you want to meet with a lender early on in the process. Having information about your loan and down payment options is essential in determining your readiness.

[Financial Readiness](#)

[Choosing a Real Estate Agent](#)

Resources

- [Understanding Loan Options](#)
- [Mortgage loan terms \(PDF\)](#)
- [What is Mortgage Insurance?](#)
- [Mortgage Comparison Worksheet \(PDF\)](#)

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