

Which Loan Is Right For Me?

Years you plan to stay in the house	Recommended program
1-3	3/1 ARM, 1 year ARM or 6 month ARM
3-5	5/1 ARM
5-7	7/1 ARM
7-10	10/1 ARM, 30 year fixed or 15 year fixed
10+	30 year fixed or 15 year fixed

Loan Programs	Advantages	Disadvantages
Fixed Rate Mortgages 30 year fixed 15 year fixed	<ul style="list-style-type: none"> • Monthly payments are fixed over the life of the loan • Interest rate does not change • Protected if rates go up • Can refinance if rates go down 	<ul style="list-style-type: none"> • Higher interest rate • Higher mortgage payments • Rate does not drop if interest rates improve
Adjustable Rate Mortgages 10/1 ARM 7/1 ARM 3/1 ARM 1 year ARM 6 month ARM 1 month ARM	<ul style="list-style-type: none"> • Lower initial monthly payment • Lower payment over a shorter period of time • Rates and payments may go down if rates improve • May qualify for higher loan amounts 	<ul style="list-style-type: none"> • More risk • Payments may change over time • Potential for high payments if rates go up
Balloon Mortgages 7 year 5 year	<ul style="list-style-type: none"> • Lower initial monthly payment • Lower payment over a shorter period of time • Many balloon mortgages offer the option to convert to a new loan after the initial term. 	<ul style="list-style-type: none"> • Risk of rates being higher at the end of the initial fixed period • Risk of foreclosure if you cannot make balloon payment or if you cannot refinance or if you cannot exercise the conversion option

First Time Buyer Programs	<ul style="list-style-type: none"> • Lower down payment • Easier to qualify • Sometimes you may get lower rates 	<ul style="list-style-type: none"> • May be subject to income and property value limitations • Some programs which have government subsidies may have a recapture tax if you sell the house too early.
Stated Income Programs	<ul style="list-style-type: none"> • Don't need to verify income • Faster approval 	<ul style="list-style-type: none"> • Higher rates • Higher down payment
No point, No fee Programs	<ul style="list-style-type: none"> • No closing costs • Less money required to close 	<ul style="list-style-type: none"> • Higher rates • Higher payments
Imperfect Credit Programs	<ul style="list-style-type: none"> • Potential for reestablishing credit if you pay your mortgage on time. • When used for debt consolidation, you may be able to reduce your monthly debt payment 	<ul style="list-style-type: none"> • Higher rates • Terms may not be as favorable • Harder to get long term fixed loans • Loans may have prepayment penalties
Home Equity Line of Credit	<ul style="list-style-type: none"> • You only borrow what you need • Pay interest only on what you borrow • Flexible access to funds • Interest may be tax deductible 	<ul style="list-style-type: none"> • Rates can change. The maximum interest rate is normally high. • Payments can change • Harder to refinance your first mortgage
Home Equity Fixed Loan	<ul style="list-style-type: none"> • Fixed payments • Interest may be tax deductible 	<ul style="list-style-type: none"> • Higher interest rates than on 1st mortgages • Harder to refinance your first mortgage

We can assist you in connecting with a trusted lender to meet your mortgage needs.

Give Me A Call Today!

