

## qualify for financing

One of the most important aspects of buying a home is figuring out how much you can afford and arranging financing. As a general rule of thumb, financing your home requires a down payment ranging from 10% to 20%, which in some circumstances can be even less. In addition, most lenders allow approximately 30% of a person's gross income to go towards making mortgage payments and not more than 40% of gross income to go towards making all debt payments, including mortgage payments.

In today's fast moving real estate market, it is critical to arrange financing before you find the home you want to make an offer on. This process is called pre-qualifying for a mortgage and involves determining how much of a mortgage you can afford. The loan amount you pre-qualify for plus your down payment roughly represents the amount you can afford to spend on a home.

Your real estate agent should be able to assist you in arranging financing by providing contact information for a number of qualified mortgage bankers and direct banking lenders.