



## About Credit

A good way to start your search for the mortgage that's right for you is by reviewing your credit profile. Lenders will look to see if you have an established track record of repaying your debts on time. Credit Reporting Agencies compile a record of your debts and how you have repaid them. This information makes up your credit report. The bureaus gather their information from credit card companies, banks, department stores, utility companies, and other firms.

Once you have submitted an application, your credit report will be reviewed (with your permission) to verify your monthly debt payments, the amount of your current long-term debts, and how long it will take you to pay off your current debts. Your credit history demonstrates whether or not you are willing to repay your mortgage loan.

Having a good credit record means, among other things, that you pay your rent and other bills on time. This shows lenders you use your credit responsibly.

Some additional questions: Do you have the required financial resources to buy a home? Do you have enough money for a down payment, closing costs, and a monthly mortgage payment, as well as sufficient funds to pay taxes, insurance and other costs associated with owning a home?

Your lender can help you calculate your buying power, based on your total income, debts, credit history, and other factors. Remember that all persons applying for the loan must have their credit report reviewed, and his or her debts will be factored into whether you both can get a mortgage.

*Members come first.™*