

## Mortgage Your Home: Tips

The search is over: you've finally found the perfect house. Everything you've wanted has fallen neatly in to place and now, it's time to put your plan into action.

Chances are, you've spent the last few months searching for your new home. But just because you've agreed to the purchase, your search isn't necessarily over. Now, it's time to find the best offer on your home mortgage.

Not all home mortgages are created equally, and it may take a little homework to find the best plan. Getting the mortgage itself is the easy part. You just need to know where to look, what to look for, and what to expect while applying for your home mortgage. Knowing what to look for will make the entire home mortgage process much smoother, especially if you are a first time buyer.

### Where to Compare

Some homebuyers think that once they've found their ideal house, their shopping days are over. In reality, choosing the property is only the first step in the entire process. You need to find a plan that will allow you to mortgage your home with payment terms that suit your budget. Where you shop, and what to look for, are very important in this stage of the home purchasing game.

When you mortgage your home, the first logical place you might want to look is at the bank or financial institution where you normally perform your financial transactions. Don't think, however, that this is your only option. There are many lending institutions that can provide the funds needed to mortgage your home, including credit unions, savings and loan associations, commercial banks, mutual savings banks, and specialized mortgage companies. Don't feel obligated to arrange your mortgage with the company that's holding your current accounts. Why limit yourself to one option, while there are so many available?

Depending on the financial institution or mortgage lender, the terms, conditions, fees and interest rates will vary. Shop around and compare offers. Check your local newspaper or real estate guide for lender ads. Use the Internet to find out about the mortgages being offered by larger banks. Call around and make appointments. Use market or shopper's guides to identify the lenders with the lowest rates. You can save money by shopping around for the best deal.

### What You Need to Know

Before you hit the phone, web or streets to shop and compare, you need to know what you're looking for. There are some areas that will serve as your eligibility criteria in securing a home mortgage. Have your list of criteria on hand, and don't settle for anyone that falls short. Ask which types of loans are made available. Find out if the lender provides privately funded, or federally assured and guaranteed loans. Some mortgage loan agreements may be backed by the added security of a federal agency. In the United States, homebuyers can look for mortgages arranged under the Federal Housing Administration (FHA loans) or the Department of Veterans Affairs (VA loans). "Conventional" mortgages are loans that are not insured by the government. While government-insured loans may offer a lower down payment requirement, they may be more restrictive in their terms. Make sure that you read the fine print before signing the dotted line.

As with any product, shopping around for a home mortgage can help you save money. Just remember that quality counts, especially where your finances are concerned. Don't give up your security and risk your home, simply for the sake of saving a few bucks.