



## DID YOU KNOW?

A homeowner's net worth is

# 45x

greater than a renter's.

- Federal Reserve

## HUD-APPROVED HOUSING COUNSELING IS YOUR TRUSTED RESOURCE.

Empowering consumers to make informed housing decisions. HUD-approved housing counseling helps more than a million households every year.



The approval of a housing counseling agency does not create or imply a warranty or endorsement by HUD of the approved agency or its employees to a prospective client or to any other organization or individual. Approval means only that the agency has met the qualifications and conditions prescribed by HUD.



# FIRST-TIME HOMEBUYERS MORTGAGE 101



OFFICE OF HOUSING COUNSELING  
[hud.gov/housingcounseling](http://hud.gov/housingcounseling)  
1-800-569-4287

## WHERE TO START

### ASK YOUR HOUSING COUNSELOR ABOUT

- Finding the right loan or loan originator
- How much house you can afford
- The documents you'll need
- Your credit score
- How much down payment you'll need

A key step on the road to home is understanding the mortgage process. This part of the journey can be complex and confusing at times, but it doesn't have to be. Your HUD-approved housing counseling agency is here to help you navigate and learn the basics, so you can make informed decisions when seeking a loan. Read on for a quick primer on the mortgage process.

## UNDERSTANDING MORTGAGES

### NEXT STEPS

1. Prequalification or Pre-approval
2. Loan application
3. Home appraisal
4. Down payment
5. Closing

Your mortgage is a loan. If you don't have the cash to purchase your home, you will have to borrow it. Over a designated period of time, you'll pay back what's owed. The conversation doesn't end here – there are different types of mortgages and lenders. Talk to your local HUD-approved housing counseling agency to understand the process and make your way home.

## HOW WE CAN HELP

### LET'S TALK ABOUT

- Types of mortgages
- Understanding down payment assistance
- Planning and budgeting
- Mortgage terms you'll need to know
- Avoiding scams in the homebuying process

Your first step starts with a visit to your local HUD-approved housing counseling agency. Get the essentials you'll need to know before and after buying your home. Get impartial advice on your mortgage, preventing foreclosure, protecting your credit, and more.

## HOUSING COUNSELORS COAST TO COAST



The road to home is a journey, but you don't have to walk alone. To learn more about mortgages or to find a HUD-approved housing counseling agency, visit [hud.gov/housingcounseling](http://hud.gov/housingcounseling) or call 1-800-569-4287. We're here to help get you home!