

Answers to Our Top FAQs



Confused by the home-buying process? We can help you make sense of it all. Here are answers to some of the most common questions.

Top 10 Questions

Where do I start?

Before you fall in love with the perfect house, make sure your finances are in order and reach out to the bank to determine how much you can afford. Our mortgage originators can outline the steps ahead and get you pre-qualified so you can shop with confidence.

How much house can I afford?

Pre-qualification determines how much money a potential homebuyer will be eligible to borrow prior to actually applying for a loan. Keep in mind, you may qualify for more than you can comfortably afford, so borrow cautiously. It's important to consider current monthly expenses, plus new expenses you may not have as a renter.

Can I apply for a mortgage before I find a property to buy?

Yes! This is called a pre-approval, and it may give more weight to any purchase offer you make by showing your real estate broker and the seller that you are a serious and qualified buyer.

Is there only one type of mortgage?

There are many mortgage options available, from fixed to adjustable rates, programs for first-time buyers, and even specific loans for new construction or rural areas. Our mortgage originators will discuss your needs and guide you to the best fit.

How will my credit score and credit history affect my mortgage rate?

Your credit score helps a lender determine the likelihood you will repay the loan on schedule. If you are preparing to apply for a mortgage, you will want to hold off on making any large purchases, like a car, or applying for a new credit card or excessively using ones you already have.

How long will it take to close?

On average, it takes approximately 45 days to close on a property.

What happens before the closing?

Before you are cleared to close, your mortgage application and home will go through a rigorous review (see *Roadmap to Closing* for a list of steps). Once all requirements have been satisfied, the amount you'll need to pay at the closing will be determined and a date will be set.

What closing costs can I expect?

Closing costs can add up to a few thousand dollars and may include a processing fee, credit check fee, title fees, appraisal fee, lender and attorney fees, inspection costs, document preparation fees, property taxes and homeowner's insurance.

Can I use a gift from someone else toward my down payment?

Yes, if the gift-giver is related to you or your co-borrower. We'll ask you for the donor's relationship to you, and if your loan request is for more than 80% of the purchase price, we'll need to verify that you have at least 5% of the property's value in your own assets.

Should I pay discount points in exchange for a lower interest rate? Should I lock in my rate?

To see if it makes sense to pay discount points, you should compare the upfront cost of the points to the monthly savings achieved with a lower interest rate. Divide the points cost by the monthly savings to see how many payments you'll make before the savings surpass the cost.

As for rate locks, if you believe rates will rise, consider a lock as soon as possible and ensure you can close within the time frame. If you think rates might drop while your loan is being processed, take a risk and let your rate "float" instead of locking.

Call (518) 583-3114 or visit saratoganational.com for more information or to apply.

