

WHAT BANKS LOOK FOR WHEN QUALIFYING A FIRST-TIME HOMEBUYER

5 tips to help you secure a mortgage and buy your first home

Buying your first home is a huge milestone. And while applying for a mortgage may feel intimidating, there are plenty of ways to make the process go smoothly.

Try these five tips to set yourself up for success.

1

START WITH EDUCATION

While you don't need to become a mortgage expert, doing some independent research can help you feel empowered when you talk to potential lenders.

Tools to try:

- **Home Affordability Calculator:** Learn what you can afford with your current income and financial situation.
- **Calculate a Mortgage Payment:** Estimate what your monthly payment may be, depending on the property cost and mortgage interest rate.
- **Rent or Buy Calculator:** Compare the costs of your current rent with the cost of owning a home.



2

SET REALISTIC GOALS

While the tools above can help you find the upper limit of your budget, it's worth reflecting on how much you can comfortably afford.

Ask yourself:

- **How will your housing costs impact your budget?** Identify how your lifestyle might change and steps you can take to make it work.
- **How much will you need for a down payment?** Most lenders require at least 3-5% of the purchase price, but putting down more can reduce your mortgage payment.

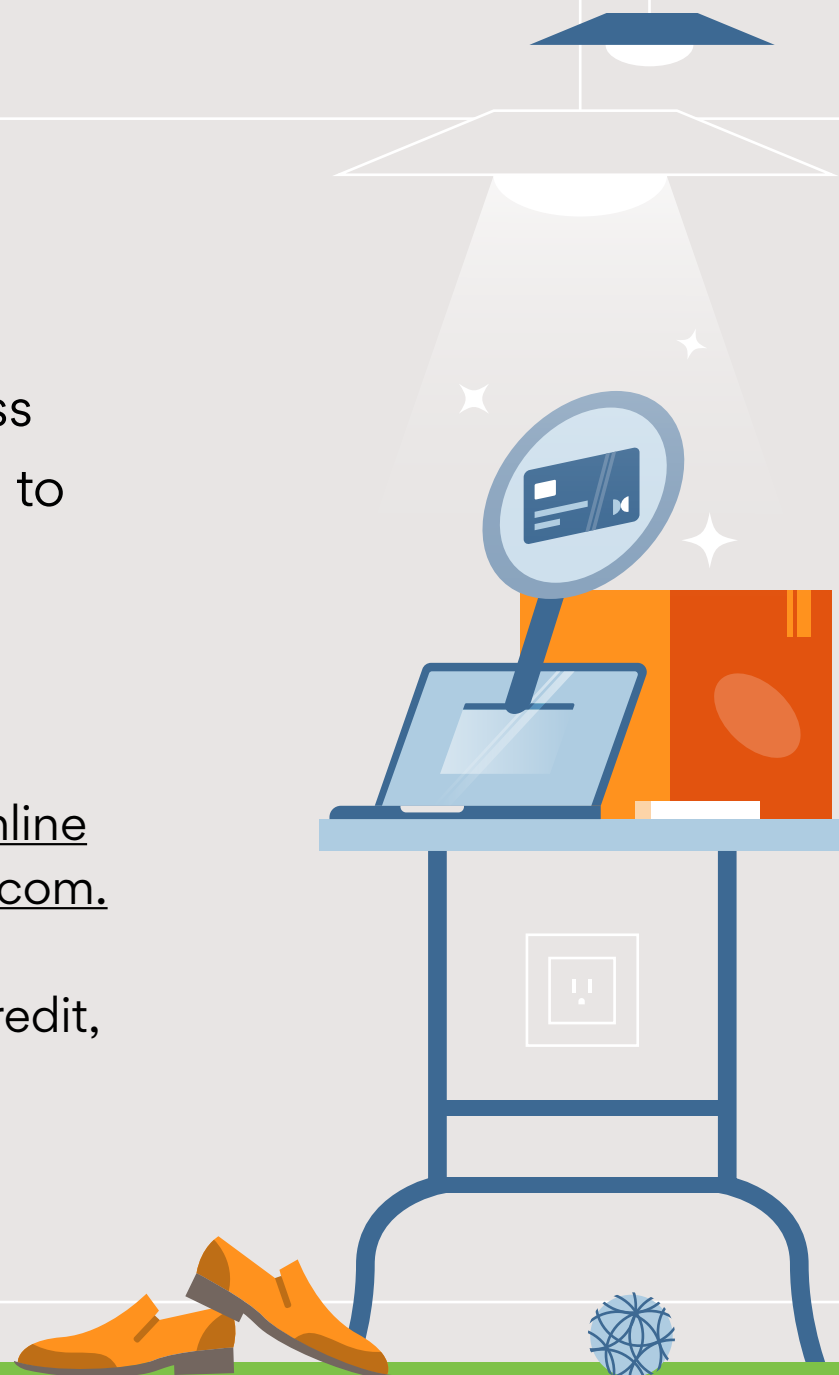
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CHECK YOUR CREDIT

Lenders run a credit check when they process your application, so review your credit report to know where you stand.

Here's what to do:

- Check your credit for free using Northwest's [Online and Mobile Banking](#) or via [AnnualCreditReport.com](#).
- Chat with a mortgage loan expert about your credit, and what steps (if any) you should take to boost your score.



4

GATHER IMPORTANT DOCUMENTS

Lenders need to see several documents during the application process and tracking them down in advance helps make the process a breeze.

Here's what you may need:

- **Proof of identity** (e.g. driver's license)
- **Proof of income** (e.g. tax returns, pay stubs, employment information, business records if self-employed)
- **Rental history**
- **Loan and credit card statements**
- **Proof of assets** (e.g. bank accounts, retirement accounts and other investments)

Pro tip:

Ask your mortgage expert if there's anything else you'll need before closing to make sure things go smoothly.

5

KEEP IN TOUCH AFTER CLOSING

Once you're in your dream home (congrats!), your bank can help you make the most of your home's equity.

A Home Equity Loan or Home Equity Line of Credit (HELOC) lets you borrow against your home's value to reach other financial goals, like funding renovations and repairs.



Get support buying your first home

Northwest Bank's network of mortgage loan experts and financial advisors can help at each stage of your journey, from walking you through your application to finding financial security in your new home.

To get started, reach out to a lending expert at your local [Northwest financial center](#) or call 1-888-884-4626.