

## A Guide for the First Time Homebuyer



### Credit score and Credit History

It's no secret. Your credit history is an important factor that affects your ability to obtain a mortgage for the purchase of your home.

Lenders want to see how you borrowed and repaid money in the past. This is reflected in your FICO score. FICO scores range from 300 to 850, and lenders believe that borrowers with higher scores are more likely to repay their loan.

- It's a good idea for homebuyer to obtain a copy of their credit report at [annualcreditreport.com](http://annualcreditreport.com).
- Learn more about understanding your credit report from the Home Loan Learning Center: [homeloanlearningcenter.com](http://homeloanlearningcenter.com).
- Check out the Home Loan Learning Center's tips for building or repairing your credit at: [homeloanlearningcenter.com/TipstoImproveYourCreditRating](http://homeloanlearningcenter.com/TipstoImproveYourCreditRating).

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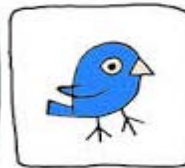
### Some Recent Anniversaries— Congratulations!

Ann Marie Lenart	31 years
Rose Ab.Hamid	27 years
Karuna Kasbawala	17 years
Leslie Cascella	15 years
Chaz Gaines	11 years
Julie Shurko	11 years
Jorge Santiago	11 years
Annette Bacchiocchi	6 years
Craig Smith	6 years
Hector Morales	5 years
Will Bendolph	3 years
Meghan Curley	3 years
Bobby Soto	3 years
Mark Grattadauria	2 years



*"Life is like riding a bicycle. To keep your balance, you must keep moving!"*  
- Albert Einstein

### Socialize with us!



**Milford**  
**MOVES**  
**FOR OUR VETERANS**  
**5K RUN & WALK**



**Starting at Gulf Beach**  
**Sunday, June 12, 2016**  
**6:30am Check-In 8:00am Race**

The Milford Bank will host its 2nd Annual Milford Moves Walk/Run on Sunday, June 12th. The course will start at Gulf Beach, lead everyone through the scenic Milford Green and back. This family-friendly event is a fundraiser honoring Milford's Veterans. Everyone, regardless of fitness level is welcome to participate. All profits raised will be donated to local veteran's groups.

All participants will receive a race T-shirt and photograph. Awards will be presented to the overall male and female winners, along with age category winners. All entrants under the age of 18 will receive participation recognition.

**Registration is available online at [milfordmoves.com](http://milfordmoves.com).**

**Please join us for this Special Event honoring Milford's**

## A Guide for a First Time Home Buyer (Continued)

### The cost of homeownership

Owning a home is a big responsibility that comes with great rewards. Budgeting is important, so plan for sudden expenses that may arise in addition to your regular monthly expenses. Don't forget to include all costs in your monthly budget including:

- Property taxes and special assessments
- Home/hazard insurance
- Property maintenance
- Association and membership fees (for condominiums, townhomes and some developments)

Some of the fees mentioned above are part of your monthly mortgage payment while others are not – be sure to ask about how these fees are to be paid.

### First Time Homebuyer Program

For many years, our experienced mortgage professionals have been giving the very best mortgage advice and service, especially to first time homebuyers.

Our First Time Homebuyer Program is offered for the purchase of properties located in Milford and Stratford.

The program currently offers the following:

- Discounted Interest Rates
- Pre-Qualification certificates to help you shop for your home
- Low Down Payment options

Chances are, for the same amount you now pay in rent, you could be making a mortgage payment on a home of your own. You may be able to deduct mortgage interest and property taxes from your federal income tax. Ask your tax advisor for more details.

One of the greatest benefits to home ownership is the equity that is built up in your home over the life of the loan. You can use the equity to provide funds for whatever you choose – a child's college education, home improvements or even your retirement.

## Pre-qualification vs. pre-approval

Before you make an offer, you can pre-apply for a mortgage loan. You can visit a mortgage lender and supply your personal financial information. The lender will estimate the loan amount that you may qualify for based on your income and credit history.

While you're shopping around for a loan, you may hear the terms "pre-qualified" and/or "pre-approved." It is important to understand the difference between these terms. Pre-qualified means that you would qualify for a mortgage but it does not guarantee you a mortgage or a rate. Being pre-qualified is useful in the negotiating process because it will give the seller confidence that you'll be able to get a mortgage once the time comes.

Pre-approved, on the other hand, guarantees you a mortgage at a specified rate.

It's important to note that obtaining a pre-qualification or pre-approval from a lender does not obligate you to get a loan from that lender.

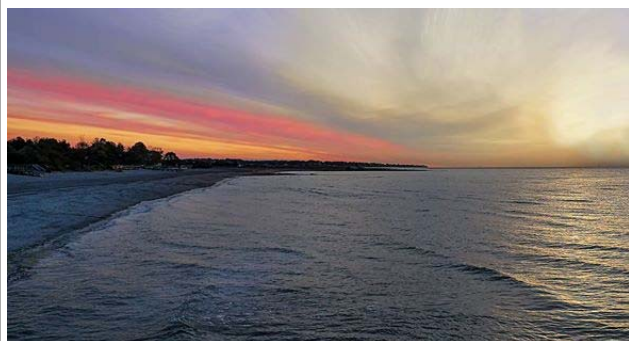
## What is mortgage insurance and how does it work?

Typically, borrowers making a down payment of less than 20 percent of the purchase price of the home will need to pay for mortgage insurance. Mortgage insurance lowers the risk to the lender of making a loan to you, so you can qualify for a loan that you might not otherwise be able to get. But, it increases the cost of your loan. If you are required to pay mortgage insurance, it will be included in your total monthly payment that you make to your lender, your costs at closing, or both.

Once you've paid off some of your loan, you may be eligible to cancel your mortgage insurance. If you are able to cancel, you won't have to pay the monthly cost.

**We'd like to give you a free consultation to help you select exactly the right mortgage for your individual needs. Our mortgage professionals will be happy to visit you at your home or office to make the application process as convenient and easy as possible. Call us today at**

**(203) 783-5700 to schedule your appointment.**



Have you ever noticed the beautiful seasonal photographs posted on the outside of some of our offices? They are taken by local photographers.

Do you think you have a photo that would showcase our lovely scenery? Interested in sharing it with us? We're looking for our summer photograph!

Please send submissions to [lviesti@milfordbank.com](mailto:lviesti@milfordbank.com). Be sure to write "mural photo" on the subject line. Note: photos should not include people or advertisements.