

How Much Can I Borrow For A Mortgage | Welcome

How Much Can I Borrow For A Mortgage?

How much can I borrow for a mortgage? This is a question that has been asked by millions of people. The housing crisis and global industrial meltdown has rung alarms in global economic circles and banks and financial services companies have scaled back their lending. Amid this mayhem and anarchy, people are still looking for mortgages to buy property. How much you can borrow is a question that needs to be answered in detail.

How much can I borrow for a mortgage? The first step in answering this question is to assess your needs. What type of accommodation you currently live in and what type of property you want to buy? Answering this question will lead you in the right direction. You can start with evaluating your assets, including fixed and liquid properties under your name. This will give you enough idea of the total worth of your assets on which you can plan to ask for mortgage. You will also need to provide evidence of your regular income. Banks will do an evaluation of their own where they will calculate the total worth of your property and liquid assets.

Once this assessment is complete, they will decide about

accepting your application or rejecting it. How much can I borrow for a mortgage?. You can discuss your financial situation with the bank representatives and if everything is in order they may offer you a mortgage at least double of your total worth. If your asset evaluation has been set at \$100,000 then you can easily get a mortgage of at least \$200,000 provided you have a sufficient income to repay the loan. The weighted average is even greater than double of total asset estimation as you can receive mortgage as high as 2.5 times of your net worth.

What if I want greater amount of money than they are offering? The answer to this question is rather tricky given the increased scrutiny after the financial crisis. It is possible to borrow more than three times of your total net worth but you will have to tread carefully and be extremely careful not to over extend yourself. This is why so many homes have been foreclosed upon in the last year and you certainly don't want it to happen to you.

Another important question is "how much can I borrow for a mortgage if I have a poor credit rating?" You will need to answer this question first before you plan about asking for major mortgage amounts. It is highly likely that your application will be rejected by the bank if you have a poor credit score. The explanation is simple as banks do not want to take any risk with their money if you have a poor

financial record.

However you can still find some solace if you have prepared a strong case. If you have shown financial improvement in recent months and years and have a stable job then it is possible to turn the tide around.

Getting a mortgage

If you are looking to buy a house it is important at first to find out if it is possible for you to get a mortgage and how much you are able to borrow. It is important that you can realistically make the repayments on the amount that you are looking to borrow.

How Much Can I Borrow For A Mortgage

Written by Administrator

Friday, 27 November 2009 15:17 - Last Updated Wednesday, 09 February 2011 09:40
