

## Why Equity Based Mortgages?

For those prospective home owners who are unable to prove income or have a damaged credit history, an equity based mortgage can be a great option. If you currently have equity in a home or you can provide a large down payment, you may still be able to own a home.

### **Purchases**

Nowadays, there are options to obtain a mortgage with a down payment of 25%. With this mortgage product, you would be able to borrow as much as 75% of the value of the home. Clients using this type of mortgage product can expect to pay higher rates depending upon the quality of their credit. The focus of this mortgage program is on the quality and the common sense underwriting of the real estate. The marketability and location of the property are also extremely important.

### **Refinances**

You will need to have at least 35% equity in your current home in order to be approved. These clients will also receive higher interest rates depending upon their home. Also taken into consideration, is the marketability and location of the property.