

“Did You Know?”

from Ken LeMay

35 Plus Years of Experience

Your Source for Real Estate Information

Again...
You Do Not
Need 20%
Down to Buy
NOW!

May 2017



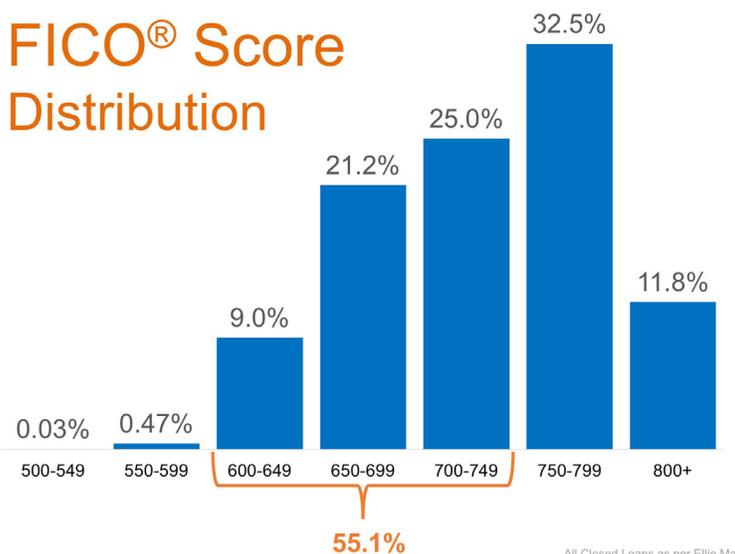
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Ken LeMay's
T E A M

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FICO® Score Distribution



A survey by Ipsos found that the American public is still somewhat confused about what is required to qualify for a home mortgage loan in today's housing market. There are two major misconceptions that we want to address today.

1. Down Payment

The survey revealed that consumers overestimate the down payment funds needed to qualify for a home loan. According to the report, 40% of consumers think a 20% down payment is always required. In actuality, there are many loans written with a down payment of 3% or less.

Many renters may actually be able to enter the housing market sooner than they ever imagined with new programs that have emerged allowing less cash out of pocket.

2. FICO® Scores

The survey also revealed that 62% of respondents believe they need excellent

credit to buy a home, with 43% thinking a “good credit score” is over 780. In actuality, the average FICO® scores of approved conventional and FHA mortgages are much lower.

The average conventional loan closed in February had a credit score of 752, while FHA mortgages closed with a score of 686. The average across all loans closed in February was 720. The chart below shows the distribution of FICO® Scores for all loans approved in February.

If you are a prospective buyer who is ‘ready’ and ‘willing’ to act now, but are not sure if you are ‘able’ to, sit down with a professional who can help you understand your true options.

—Need More Information,
Call Ken, 360.509.7800