

# 7 Quick Home Financing Tips

From Your National Association of REALTORS®  
Senior Real Estate Specialist®



I'm Your SRES®.

## 1. Your Retirement Income Has Value

If you're on a fixed income—Social Security, a pension, retirement account withdrawals lenders evaluate them differently than traditional salaries. They all count towards a mortgage, but documentation requirements may be stricter.

## 2. Document Your Fixed Income Sources

Gather records for Social Security, pensions, and retirement withdrawals. Lenders will want clear documentation of these stable income streams.

## 3. Factor Ongoing Costs Into Your Budget

Beyond the mortgage payment, budget for property taxes, insurance, maintenance, and potential health-care modifications. These expenses can strain fixed incomes over time.

## 4. Review Your Debt-to-Income Ratios

Keep total monthly debts under 43% of income for better loan approval odds.

## 5. Explore Age-Friendly Loan Options

Some lenders offer specialized programs for older borrowers. FHA loans don't have age limits, and certain credit unions provide senior-specific mortgage products with favorable terms. Additionally, 15-year mortgages often have lower rates and build equity faster, fitting better with retirement timelines.

## 6. Evaluate Down Payment Strategies

Using retirement funds for a down payment affects a financial cushion. Consider smaller down payments to preserve emergency savings, even if it means paying mortgage insurance.

## 7. Plan Your Estate

If you have children or others who might be beneficiaries of your estate, consider how the new mortgage might affect these beneficiaries and your inheritance plans.