

Bay East Consumer Guide

Navigating Mortgage Interest Rate Shifts

Understand how changing interest rates can affect your budget.



Why Rates Matter

Your mortgage interest rate affects:

- Your monthly mortgage payment
- How much home you can comfortably afford
- The total cost of your loan over time

Your rate is influenced by factors like your credit score, down payment, debt-to-income ratio, and market conditions.



Know Your Loan Options



Fixed-Rate Mortgage

- ✓ Interest rate stays the same for the loan's life.
- ✓ Predictable monthly payments.



Adjustable-Rate Mortgage (ARM)

- ✓ Lower introductory rate.
- ✓ Interest rate may increase or decrease after the initial fixed period.



Plan Beyond the Interest Rate

Your monthly mortgage payment may include more than just principal and interest. Other costs can include:

- Property taxes
- Private mortgage insurance (PMI)
- Homeowners insurance
- HOA dues, if required

Looking at your total monthly housing costs can help you budget.



"Even small rate changes can make a big difference in your monthly payment."



Ways to Secure a Better Rate

You may be able to lower your costs by:

- ✓ Shopping with multiple lenders
- ✓ Improving your credit score
- ✓ Increasing your down payment
- ✓ Locking your interest rate before closing

Every lender is different, so comparing options can pay off.



We're Here to Help

A Bay East REALTOR® can help you:

- ✓ Connect you with trusted mortgage pros.
- ✓ Explain how interest rates affect affordability
- ✓ Compare financing options with confidence