

Quad Cities Mortgage Company Signals Good News for First Time Home Buyers with Lower Credit Scores

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DAVENPORT, IA - May 10, 2023 -
Quad Cities, IA, mortgage broker John Cornish is clearing the air on the recent changes set to impact mortgage rates based on the applicant?s credit score.

According to the recent LLPAs (Loan-Level Price Adjustments) enforced by the Biden administration, starting May 1, homebuyers across the United States with higher credit scores will see their monthly payments increase. The change is intended to subsidize mortgages for those with lower credit scores by increasing costs for the former. Moreover, those with a lower credit score and a lower downpayment can now also get access to better mortgage rates.

John Cornish took to his YouTube channel to explain what the changes mean for first-time homebuyers in the Quad Cities area by saying, ?Loan-Level Price Adjustments are changes to Fannie Mae and Freddie Mac based on the preferred interest rate that customers will have to pay for different things. So, as a real-world example, a 740 to 759 credit score homebuyer with 80 to 85% down is going to pay 0.75% more in fees and

a lower than 639 credit score homebuyer with less than 5% down is going to get a 1.75% improvement.?

In the YouTube video, John even shares the complete price adjustments matrix that details the upcoming change in rates based on credit score and downpayment percentage. The changes will have no impact on FHA and VA mortgages and are also not applicable to certain programs within Fannie Mae and Freddie Mac.

?Does this mean,? John asks as he further clarifies, ?that it is now cheaper for a 639 with 3% down homebuyer to secure a mortgage than a 740 to 759 homebuyer with 80% to put down? No. It means that the change in the two has drastically come closer. So, we are shortening the gap. The benefits for those people who have a higher credit score and more money down are going to be a lot less than they used to be. At the same time, it?ll be more affordable for people with lower credit scores and less money down to get approved.?

John Cornish has been a leader in Quad Cities real estate mortgages for over a decade. To date, he has helped over 2300 families obtain mortgage financing to move into their dream homes or refinance their existing property to achieve their life goals. His top-notch customer service has earned him a perfect 5.0 out of 5.0 overall rating on his Google Business Profile and over 140 recommendations on his Facebook page. For more details on how his services can help veterans and first-time homebuyers, readers are urged to check out this news article.

A recent review on his Google Profile says, ?John and his entire Team were a pleasure to work with as we navigated financing our home purchase. John was detailed in his explanations and very thorough in his approach to mortgages. He wanted to help us make a decision that was in our best interest. Strongly recommend John and his Team for your home mortgage needs!?

Another happy homeowner writes, ?As a first-time home buyer understanding the entire process can be very overwhelming. However, John and his team truly made my process extremely smooth and informative to ensure I understood each step of the process. I will be forever grateful to the team for helping me purchase my first home and guiding me through the process! I would highly recommend their services! Thank you all!?

John Cornish represents Key Mortgage Group, which is partnered with and powered by Homeside Financial, LLC. He shares his knowledge and experience of the real estate market in several videos on his YouTube channel covering a broad swath of topics such as mortgage rates, down payments, refinancing, FHA mortgages, VA mortgages, and more.

Readers in and around the Quad Cities area can contact John Cornish and his team at Key Mortgage Group

at (563) 214-1539 to get started or follow his Instagram for regular updates.

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For more information about John Cornish - Mortgage Lender, contact the company here:John Cornish - Mortgage LenderJohn Cornish(563) 214-1539jcornish@gohomeside.com5189 Utica Ridge RdDavenport, IA 52807

John Cornish - Mortgage Lender

John Cornish - Mortgage Lender values the home ownership goals of every client. He helps them find the financing options that are best for them. He has experience working with wide range of borrowers from first-time buyers to high net worth individuals.

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