

## WHICH MORTGAGE IS RIGHT FOR YOU?

When shopping for a mortgage loan, one size does not fit all. It's important to understand your options and how they will affect your budget.



### ADJUSTABLE VS. FIXED

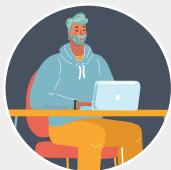
One key decision is whether to select a fixed- or adjustable-rate loan. A fixed-rate mortgage keeps the same interest rate for the life of the loan; your monthly payments of principal and interest will not change. Because of this stability, fixed-rate mortgages can help you plan your finances far into the future. They also can be attractive when you're able to lock in a low rate in a volatile market.

An adjustable-rate mortgage typically offers an introductory period—for example, five years—with a rate lower than you could get with a fixed-rate loan. After this period, the rate adjusts annually based on the financial markets. Adjustable-rate mortgages can be a less expensive option if you don't plan on living in a house for very long. You can also take advantage of falling rates without refinancing. Of course, if rates climb, you could owe more in later years.



### HOW LONG?

You may think that a 30-year mortgage is your only option, but 15-year mortgages are also available to many borrowers. The overall cost of a mortgage will be less over 15 years than 30 years—the shorter term means less total interest—but the monthly payments are higher. If you can afford to pay off the mortgage sooner, a 15-year loan might be a better choice. However, the lower monthly payments of a 30-year loan could let you use money to pursue other financial goals.



### FINDING YOUR LOAN

These are just a few of the options available to finance your home purchase. The mortgage that's right for one buyer might not be right for another. Be sure to talk to your lender about your life and plans to make sure you get the loan that is best for your situation.

