**[xxx] Your Assets Added to DEBT? Here’s How (Email #10)**

Hey {name},

Shall we continue with the **four Cs** or:

**Credit**

**Income and DTI (Debt to Income Ratio)**

**Assets and Down Payment**

**Your New Home**

I promised to cover **DTI,** so let’s talk about it first.

The two ends were: **Front End** and **Back** **End** (or Top and Bottom) ratios.

Debt To Income ratio or DTI is about how much you earn, and how much you are spending.

Simply put… **Bills / Income** = DTI Ratio

**Front End Ratio** is calculated like this:

New Mortgage (PITI or Principal, Insurance, Taxes and Insurance) / Income

**Back** **End Ratio** is calculated like this:

[Bills + New Mortgage (PITI or Principal, Insurance, Taxes and Insurance)] / Income

But you must check the end result yourself…

Why?

\*\*\***Here’s a tip:** Usually your mobile phone bills, health insurance, auto insurance, and electric bills do not report on your credit. So while you may get approved… you might actually feel down right uncomfortable repaying the loan.\*\*\*

Moving on…

Let’s talk about **Assets and Down Payment.**

Assets are the liquid and non-liquid property that you own. (Less any money owed against each listed asset).

For example: your checking and savings accounts.

Or 401k, 403b, IRA, Roth IRA.

Or certificates of deposit (CD).

Same goes for homes and cars (less their remaining mortgage and loan repayments).

Also life insurance policies are considered assets.

All assets **must** be verified.

You need to prove that they are either:

1. yours
2. a gift.

\*\*\***Here’s a tip:** If you can’t verify that your assets are YOURS or are a GIFT then they will be added to your DEBT\*\*\*

Yeah… I know. This also might mean that you will not qualify for a loan at all… So be aware.

Best thing you can do is talk to me or my fellow Mortgage Pros to get it looked at. ***{INSERT SCHEDULING TOOL HERE}.***

Let’s look at the **Down Payment** part next.

I have quite a few trade secrets to reveal:

* Why a bigger down payment is **NOT** always better…
* How the seller can get and keep your money without closing the deal and what to do about it!
* And more…

But not here, those secrets are more suited for tomorrow.

All the best,

**{EMAIL SIGNATURE GOES HERE}**