



## **QUICK GUIDE TO OBTAINING MORTGAGE CREDIT IN MEXICO**

Mortgage loans in Mexico are a popular tool for purchasing a home. Understanding their features, types, and requirements can help buyers choose the best option.

### **Types of Mortgage Loans**

#### **1. Banking**

- They offer different rates and conditions. They have specific income and credit profile requirements.
- Variable and fixed options. Rates are usually lower with excellent credit history.

#### **2. INFONAVIT and FOVISSSTE**

- Mexican government programs for affiliated workers, with affordable rates and co-financing options.
- They offer loans for affiliated workers, with fixed rates and subsidies.

#### **3. Co-Financing**

- Combination of INFONAVIT and banks to obtain larger amounts.

### **Application Process**

- **Payment Capacity Evaluation:** Banks and organizations evaluate credit history and income.
- **Pre-approval and Simulation:** Use simulators from banks such as Bancomer, Santander, and CONDUSEF to understand the fees.
- **Documentation:** Identification, proof of income, and property appraisal.

### **Requirements and Application Process**

#### **1. Necessary Documentation**

- Identification, proof of income and credit history.

#### **2. Pre-approval Process**

- Conduct an initial evaluation to define payment capacity and determine available options.

## Comparison of Interest Rates and Conditions

- **CAT (Total Annual Cost)**
  - Compare the rates of different banks and programs to find the most economical option.
  - Evaluate the Total Annual Cost in different banks for the most economical option.
- **Deadlines and Penalties:** Analyze if there are penalties for early payments.

## Tips for Choosing the Best Option

- Compare interest rates, CAT, and additional benefits that certain banks or institutions may offer.
- Evaluate the payment term, the interest rate and the possibility of early payments.

## Documents Necessary to Request a Mortgage Loan:

1. **Official Identification:** INE or valid passport.
2. **Proof of Income:** Payroll receipts or account statements to prove payment capacity.
3. **Credit History (Credit Bureau):** Evaluated by institutions to determine the viability of the credit.
4. **Birth Certificate and CURP:** Documents that prove the identity of the applicant.
5. **Proof of No Debt:** Issued by the bank or mortgage institution that validates the payment history.
6. **Property Appraisal:** Essential document that defines the value of the property and is a requirement in all institutions.
7. **Credit Pre-Approval Letter:** Issued by the bank as a guarantee that the buyer has the funds to make the purchase.
8. **Certificate of Freedom from Encumbrances:** Necessary to ensure that the property is free of financial encumbrances.

## Create your Mortgage Credit Comparison

- **Objective:** compare the different credit options available on the market.
- **Financial Entity:** Name of the bank or institution.
- **Interest Rate:** Fixed or variable.
- **CAT (Total Annual Cost):** Total cost that includes interest and commissions.
- **Maximum Amount and Term:** Amount that can be lent and duration of the credit.
- **Additional Commissions:** Opening cost, administrative expenses.

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