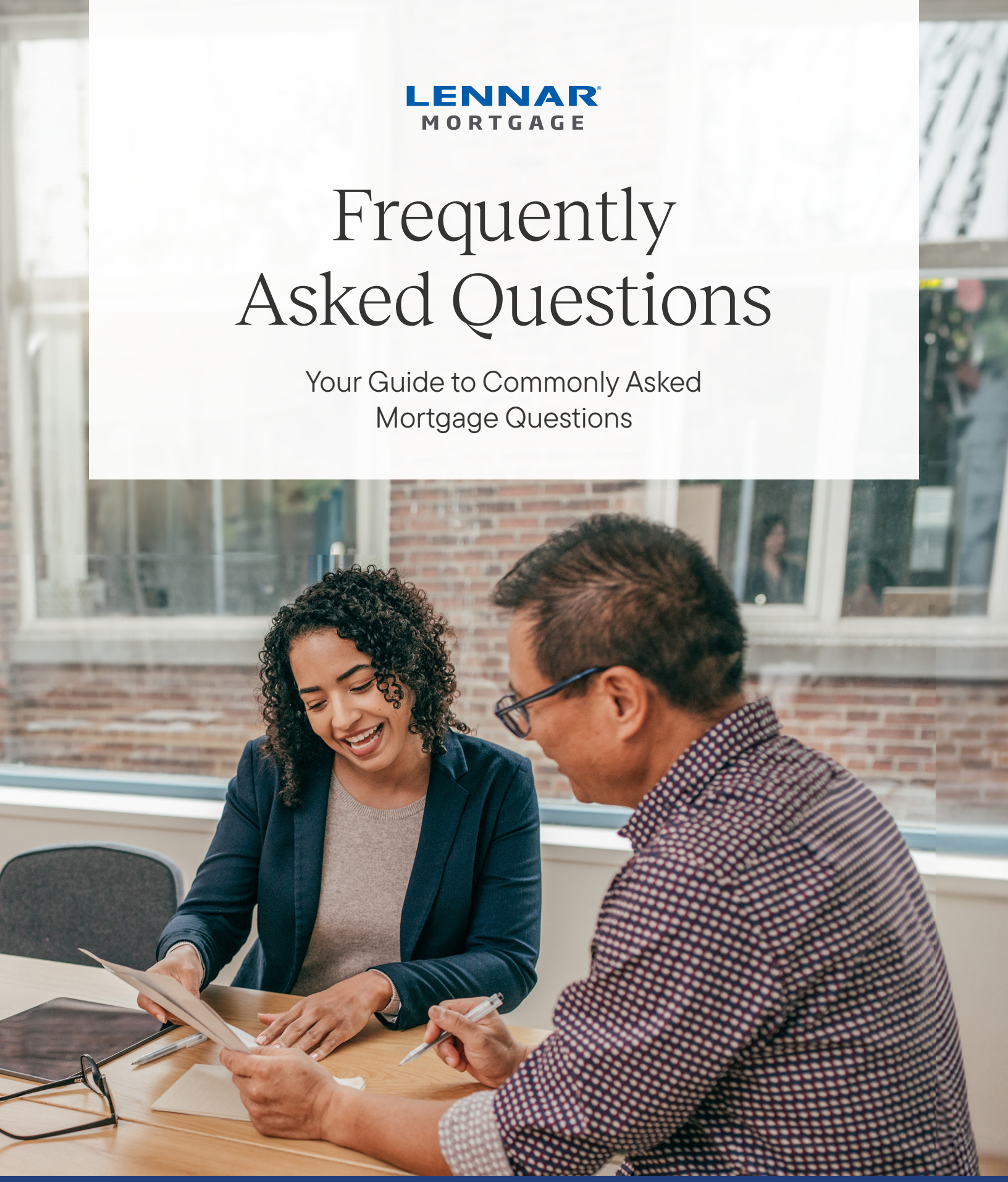
LENNAR MORTGAGE

Frequently Asked Questions

Your Guide to Commonly Asked Mortgage Questions



Creating the World's *Simplest* Path to Homeownership

Frequently Asked Questions



Why Lennar Mortgage, LLC?

How We Simplify the Path to Owning a Lennar Home

We're uniquely qualified to help you finance your new home. Learn how we simplify the homebuying process with specialized experience and streamlined communication.

Learn More



Down Payments

Decide How Much To Put Down On Your Home

Learn more about down payment minimums, assistance programs and more!

Learn More



Loan Programs

Compare The Five Most Common Loan Programs

Familiarize yourself with the basics of Conventional, Jumbo, FHA, VA and USDA loans.

Learn More



Credit & Qualifying

Learn More About How We Evaluate Your Application

Understand what lenders are looking for when you apply for a mortgage.

Learn More



Payments & Costs

Budget for One-Time Costs and Your Monthly Payments

Learn more about interest rates, closing costs and calculating your monthly payment.

Learn More



Terms to Know

A Glossary of Commonly Used Mortgage Terms

Reference this whenever you stumble across an unknown mortgage term.

Learn More

Why Lennar Mortgage, LLC?

Buying a home can be a daunting experience.

On any given day, you may need to juggle open houses, apply for financing, research closing processes and coordinate everyone involved.

Lennar has another vision of what homebuying can be – one where Everything's Included.

Mortgage. Title. Insurance. And yes, a beautiful new home with all the amenities you've been dreaming of.

Our role in that vision is creating the world's simplest path to homeownership, providing seamless financing for your new Lennar home.

Teamwork: With strong communication between builder and lender, you'll have less to coordinate as you approach closing.

Competitive Financing: Get competitive offers and review your options with your dedicated Loan Officer.

Experience: With 40 years of industry experience, we're proud to serve homebuyers with specialized knowledge of financing new construction.

On-Time Closings: With new construction, building concerns may impact your financing. We're always ready to adapt and keep you on track.

Close from Anywhere: With digital mortgage, you can pre-qualify, and sign closing documents from anywhere you want – including your couch. Ask your Loan Officer if you qualify!

Resources: Wondering if you can qualify for a home? With resources like credit education, down payment assistance and more, we're here to see you home.



Day Conditional Loan Approval



No Upfront Appraisal Fees



No Upfront Commitment Fees



No Lock-In Fees[1]
(Except for Extended Lock)

Down Payments

What is down payment assistance? How do I qualify?

Down payment assistance (DPA) is any grant or program that makes down payments more affordable or accessible for homebuyers.

DPA programs are often based on location and first-time homebuyer status. Ask your Loan Officer to see what DPA programs you may qualify for!

Does Lennar Homes offer incentives?

You may be eligible for closing costs discounts and other builder incentives. Reach out to your Loan Officer to learn more!

Can I buy with 0% down?

Your minimum down payment will vary based on your loan type and creditworthiness. There are two loan types that allow for 0% down payments.

VA: If you are a veteran, service member or surviving spouse with sufficient VA entitlement, you may qualify for a VA loan with no down payment.

USDA: USDA loans may also allow for 0% down, but you must be buying a home in a qualifying rural or suburban area.

What is the minimum down payment for a ...?

USDA Loan*: 0%

VA Loan:** 0% with sufficient VA entitlement

Conventional Loan: 3%

FHA Loan: 3.5%

Jumbo Loan: Varies

Down payments requirements may change based on your debt-to-income ratio, credit score and more. It's essential to review your specific situation to find out what options are available to you. Ask your Loan Officer to learn more!

*Not all property locations are eligible. **Veteran applicant must have sufficient VA entitlement to qualify for 100% financing.

Explore Down Payments:
Monthly Payment Calculator

Read the Blog:
How Much Is Enough?

Loan Programs

Lennar Mortgage, LLC offers five main loan programs for Lennar homebuyers: Conventional, Jumbo, FHA, VA and USDA. For full program details, please contact your Loan Officer.

Conventional



- Best suited for those with a **good credit score**
- Down payment as low as **3%**
- **Maximum loan limit is $832,750** for one-unit properties*
- **No monthly mortgage insurance required** with a 20% down payment
- Can be used for primary residence, second homes or investment properties

Jumbo



- Home loan for **larger loan amounts**
- Stricter credit score guidelines
- May require a **larger down payment**

FHA



- Popular option for **first-time home buyers**
- Down payment **as low as 3.5%**
- **Flexible qualifying criteria**
- Sellers can contribute **up to 6% of the sales price**

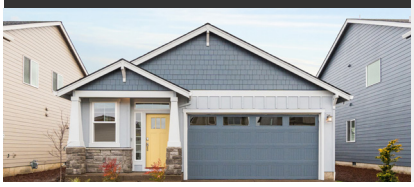
*Loan limit from the Federal Housing Finance Agency (FHFA) for 2026. Loan limits are adjusted every November to reflect changes in the housing market. Please contact your Loan Officer to inquire about current loan limits.

VA



- For veterans, service members and their survivors
- Offers up to 100% financing – **no down payment required** – when veteran applicant has sufficient VA entitlement to qualify
- **No monthly private mortgage insurance**
- Flexible qualifying criteria with **lower credit score requirements**
- Sellers may contribute **up to 4% of the sales price towards your closing costs**

USDA



- **Affordable home loan** for those in rural areas
- No down payment for eligible applicants **in designated rural areas**
- Flexible qualifications for **borrowers with low to moderate income**
- Borrowers may **use a gift or grant for down payment**

Do you offer down payment assistance?

We are more than happy to guide you through down payment assistance (DPA) options available to you.

Your options will vary based on location, first-time homebuyer status and other factors. Be sure to ask your Loan Officer what DPA programs you may qualify for!

Do you have first-time homebuyer programs?

First-time homebuyer programs often come in the form of down payment assistance (DPA) programs, which vary based on location and other factors.

Your Loan Officer will be able to make recommendations for assistance programs based on your first-time homebuyer status.

Do you offer rent to own?

Not currently. However, a mortgage payment could be comparable to paying rent in some cases. Your Loan Officer can help you estimate your monthly mortgage payment and guide you through your buying options!

Read More Online:
Home Loan Options

Download the Guide:
First-Time Homebuyer's Guide

Credit & Qualifying

How can I improve my credit?

Our complimentary Homebuyer Solutions program helps homebuyers who don't qualify for a mortgage on the first try because of credit concerns.

The first step is filling out the pre-qualification form on our website. If improving your credit could help you qualify with us, your Loan Officer will walk you through the program to educate you on all things credit.

Do I need to pay off all my debt to be in good standing?

Not necessarily. The definition of "good standing" can depend based on who you're talking to. It may mean you've never been late on payments, or it may mean that you're current on your payments.

Having debts is common when applying for a mortgage. A low debt-to-income ratio is preferred, but being debt free is usually not required for mortgage approval.

Can I use alimony and/or child support as income?

It depends. Child support and/or alimony is sometimes able to be used as income. Ask your Loan Officer to learn more.

If I _____, will I qualify for a mortgage?

We get a lot of questions about how various financial factors affect your ability to be approved for a mortgage.

There's no hard and fast rule about what's considered "bad" credit, how much debt you can have or how long you need to wait after a major financial event.

Mortgage approval depends on many unique factors. **The best way to understand whether you'll be approved, and for how much, is to get pre-qualified.**

Get pre-qualified today at LennarMortgage.com!

You'll be recommended to our Homebuyer Solutions program, a complimentary credit education service, if needed.

Check Out Our Free PDF Guide: **Understanding Your Credit**

What can I qualify for with bad credit?

Your credit may not be as “bad” as you think! We’re here to help no matter what challenges you may be facing.

If you don't qualify on your first try, you may be referred to our Homebuyer Solutions program, a credit education service. Throughout the program, you Loan Officer will guide you through understanding how your actions affect your credit profile.

We also offer loan programs with less stringent credit score requirements.

Will my loan application lower my credit score?

Getting pre-qualified for a mortgage does require a hard credit inquiry, which may temporarily lower your credit score.

Many lenders allow a 15-45 day window in which multiple credit checks from mortgage companies are reported as a single inquiry on your credit report.

Pre-qualification is necessary to understand what loan amount you may be approved for and compare mortgage companies.

I already applied with another lender this month. Can I still get pre-qualified?

Yes! Many lenders allow a 15-45 day window in which multiple credit checks from mortgage companies are reported as a single inquiry on your credit report.

After pre-qualifying, you can see how we compare to other options.

What if I’m not ready to commit to a lender?

Pre-qualifying with Lennar Mortgage, LLC doesn’t obligate you to get a loan from us.

We’ll strive to earn your business with amazing service and the best possible financing packages!

What is the minimum credit score required?

Credit score requirements will vary based on your loan program and other individual factors. Your Loan Officer will be able to offer specific advice for loan options based on your credit profile.

Opting Out of Prescreened Credit Offers

Ordering a credit report automatically generates an inquiry with the three national credit bureaus, which can result in unsolicited (or prescreened) credit offers from other companies.

Lennar Mortgage, LLC does not sell your information to other companies.

You have the option to opt out of prescreened offers from lenders.

Visit OptOutPrescreen.com to electronically opt out of prescreened offers for 5 years, mail in a permanent opt-out election form or opt in if you had previously opted out.

Payments & Costs

What will my closing costs be?

Closings costs are usually about 2% - 5% of your home's purchase price. These fees are separate from your down payment.

For a better understanding of what your closing costs will look like, please contact your Loan Officer.

Is it possible for my monthly payment to be _____?

Your monthly payment will depend on factors including your loan amount, interest rate and other expenses such as private mortgage insurance.

If you'd like to estimate your monthly payment or see how your down payment may affect it, use our online calculators.

Your Loan Officer can help you explore your options. Ask about down payment assistance, first-time homebuyer programs and which loan option is best for you!

What will my interest rate be?

Interest rates will vary based on your loan program, credit profile and the housing market. Getting pre-qualified will give you a better estimate of your possible interest rates.

Will my interest rate change while my home is being built?

Until you lock in your interest rate, it's subject to market fluctuations.

We're pleased to offer long-term rate locks of up to 270 days to secure your interest rate!

- Lock in your rate to protect yourself from market changes.
- A nonrefundable lock fee may be required.
- "Float down" to a better interest rate one time within 30 days of closing.
- We won't lock in your interest rate until you tell us to.

Explore Down Payments:
Monthly Payment Calculator

Terms to Know

Adjustable Rate Mortgage (ARM)
A mortgage where interest rates and monthly payments change over time, according to an agreed-upon schedule

Annual Percentage Rate (APR)
Expressed as a yearly percentage, the annual cost of borrowing money

Closing Costs
Fees or expenses that you pay when you secure a home loan, separate from your down payment; usually around 2% - 5% of a home's purchase price

Closing Disclosure
A required form that provides final details about your mortgage loan

Co-Signer/Co-Borrower
Another person who agrees to take full responsibility to pay back a loan with you

Credit Report
A statement with information about your credit activity, including payment history and the status of your credit accounts

Credit Score
A score that predicts how likely you are to pay back a loan, based on a set formula

Debt-to-Income Ratio (DTI)
A measure of income compared against total debt, indicating how much of monthly income goes towards repayments; often used by lenders in determining creditworthiness

Down Payment
The amount paid towards a home up front

Earnest Money
A deposit paid by the borrower to show good faith on a signed contract agreement to buy a home and held by the seller or a third party

Escrow
An account set up by the mortgage lender to pay property-related expenses, including property taxes and homeowner's insurance; a portion of your monthly mortgage payment goes to this account, which is then used when yearly expenses come due

Equity
Your current property value minus the amount of your existing mortgage; the sum you could theoretically receive if you sold your home for its appraised value

Fannie Mae & Freddie Mac
Government sponsored enterprises (GSEs) that buy mortgages and sell them back to investors as mortgage-backed securities; these institutions provide liquidity for a more stable and affordable mortgage market

Fixed Rate Mortgage
A home loan with a set interest rate that will not change during the term of the loan

Homeowner's Insurance
Insurance that may pay for losses or damage to a property if something unexpected happens, often required while you have a mortgage

Interest Rate
The cost, expressed as a percentage, you'll pay each year to borrow money, not including loan fees

Loan Estimate
A 3-page form that shows you the important details of the mortgage you're applying for, helping you understand the loan terms and compare financing offers

Loan-to-Value Ratio (LTV)
A measure comparing the amount of your loan to the total value of the property

Mortgage Term
How long you have to repay your mortgage, usually 15, 20 or 30 years

PITI
An acronym for the four main elements that make up your monthly mortgage payment: Principal, Interest, Taxes and Insurance

Pre-Qualification
A process where a lender estimates how much you'll be able to borrow for a home, based on your current finances and credit profile

Principal
The amount of a mortgage loan you have left to pay back, not including interest

Private Mortgage Insurance (PMI)
Insurance protecting your mortgage lender in the event you don't make payments on your loan; PMI may be required for conventional loans with down payments of less than 20%

Property Taxes
Taxes on land and property charged by local jurisdictions, usually at the county level, based on property value

Purchase Price
The amount the buyer agrees to pay to the seller to purchase a home

Servicer
The company that handles the day-to-day tasks of managing your loan, including sending you mortgage statements

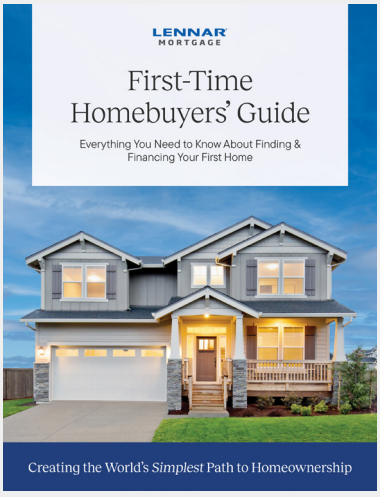
We're here to help.

Your Loan Officer is your guide through the homebuying journey. They'll be by your side every step of the way.

We're here to make sure you have everything you need to make informed decisions when financing your new home.



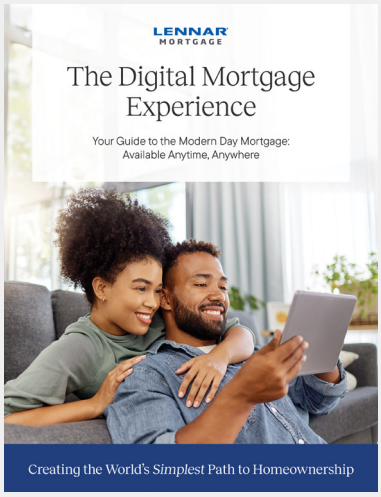
Learn more with our free online homebuying guides!



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Looking to explore more?

We're always adding educational content and resources to help our homebuyers. Check out our blog and social media for more!

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