

# TIPS FOR BUYING A HOME

- 1. Buy a House for a Long Term Investment** If your chances of moving are high, then it maybe best to hold off on buying a home. Real estate is a long term investment. You may lose money if you buy and need to sell after short period of time. You need to keep in mind, that not only is there the purchase price of the home but there are also transaction costs.
- 2. Check Your Credit Early** Your credit will affect your interest rate on your mortgage. It is important to know early-on how to improve your credit and if there are any adjustments you can make now which will help your credit score. The earlier you start, the better!
- 3. Don't Forget About Property Taxes and Insurance** When Shopping for a home, pay attention to whether the mortgage payment is just the principal and interest or if it includes property taxes and insurance. If you put less than 20% down you may be required to have insurance be part of your mortgage payment. If you use a mortgage calculator online to estimate your payment most likely it does not include property taxes and insurance and your true payment will be more.
- 4. When Shopping for a Home Look at your Payment** Ask your lender to give you a variety of payment options. For example, find out what the payment difference is between \$200,000 vs \$210,000 or if you wait and have a larger down payment. If you want to buy a home with a payment much higher than the rent you currently pay you may want to set aside the payment amount to see what it "feels" like to have a mortgage payment of that size.
- 5. Get Pre-Approved** Don't waste your time looking at home you cannot afford. Getting pre-approved will assure not only you but your agent and sellers that you can qualify.
- 6. Work With a Real Estate Agent** When you work with a real estate agent you are working with someone who helps people buy and sell

houses for a living. They are knowledgeable about the process and can help guide you through one of the biggest investments you may make. Also, they will help advise and guide you through the sometimes emotional process of buying a home.

- 7. Choose a Real Estate Agent to Work With** You should find a real estate agent that will work for you. By developing a relationship with an agent you will have someone who is constantly looking out for your needs and willing to devote their time and energy to finding you a home. You want an agent who is knowledgeable, responsive, and dependable. Your agent can show you any house, it does not matter if it is listed with the company they work for.
- 8. Get a Home Inspection** Your real estate agent will advise you to get a home inspection. A home inspection will provide you with a detailed report of any issues or repairs needed to the home you plan to buy.
- 9. Define Your Needs** Give your agent a list of you needs versus wants. Along with that list, tell them the purpose of your needs. For example, if you think you need a 4 bedroom house because you have 2 kids and want a room for an office. A good agent would be able to see that maybe a 3 bedroom and a house with a den would actually fit your needs.