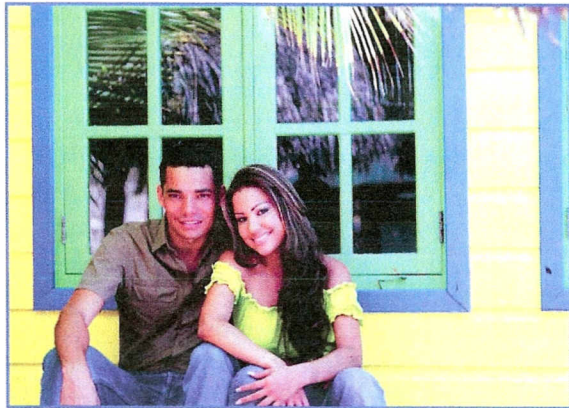
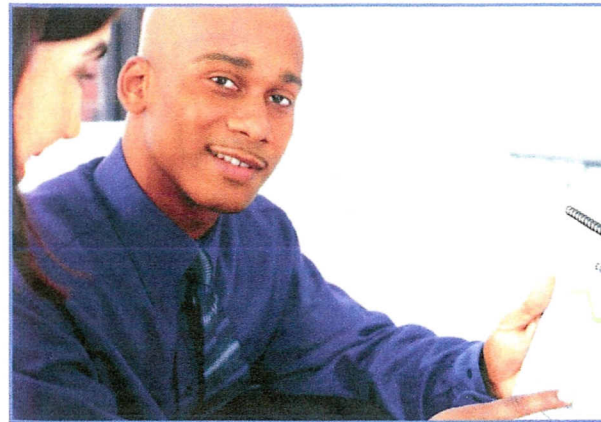


# BUYING YOUR FIRST HOME



ALL YOU NEED TO KNOW  
BEFORE YOU LOOK AT YOUR FIRST HOME



*Buying your first home is an exciting (and a bit scary) adventure. There are many things to learn and much to keep in mind. Here are 10 of the most important things to remember while purchasing your first piece of real estate:*

## 1. KEEP YOUR CREDIT CLEAN

Run a credit check on yourself and contact any creditors who haven't updated your record in terms of canceled cards, balances that have been paid off, etc. Pay off outstanding high interest credit as soon as possible to make it easier to obtain approval for a mortgage.

## 2. GET PRE-APPROVED

Talk to your mortgage lender about how much home you can afford and get pre-approved before you start looking. If you find a house you're crazy about, you can make an offer knowing exactly how much you can reasonably afford to pay each month on your mortgage, taxes, insurance and HOA fees. The sellers should take you more seriously because they'll know that you can afford what you've offered and the financing will not be an issue. This could be especially helpful if you happen to be only one of many buyers making an offer on the property.

## 3. DETERMINE YOUR PRIORITIES

Make a list of what you want, need and don't want in a home. Rate your desired home attributes on a scale of 1 to 10 (10 being a "must have" and 1 being "it would be nice but not a necessity") and give a copy to your Realtor. If certain home types are definitely not for you, let your Realtor know. It will save both of you invaluable time and effort.

## 4. CHECK OUT THE NEIGHBORHOOD

If you find yourself becoming interested in a particular neighborhood, familiarize yourself with the crime rate, property taxes, schools and other neighborhood features. Remember, you're getting more than just a home - you're buying the whole neighborhood package. Also, review any covenants or home owner's association agreements thoroughly.

## 5. CONSIDER FUTURE NEEDS

As you look around the house, determine if it has adequate space for you and your family both now and in the future. Are there enough bedrooms and bathrooms? Is the yard and garage big enough? Will your furniture fit? If you want to add on in the future is there land to do so?

## 6. SPELL OUT THE DETAILS

When you do make an offer, be sure to include everything you want from the seller, such as home inspection contingencies, items included with the sale of the house, the amount of earnest money you're attaching and any concessions you'd like the seller to make. Put everything in writing. Don't trust any verbal agreements.

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## 7. GET THE BEST DEAL

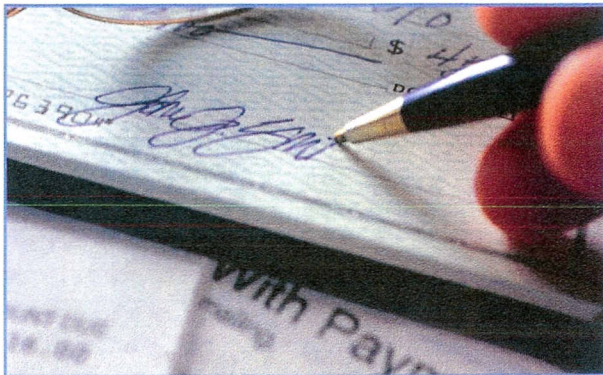
Don't be afraid to negotiate! This is especially true in a buyer's market or when the seller is particularly motivated. Don't worry if your first offer is rejected. You may have to offer more money the second time around, but at the same time you can ask for additional repairs or for the sellers to pay some of the points. Don't forget that the offer you sign is a legally binding contract.

## 8. KEEP YOUR EYES OPEN

When you're looking at a home, pay close attention to anything that might appear out of place, such as furniture awkwardly arranged to hide holes or stains in the carpeting. Turn on lights and appliances to see if you notice (at a glance) any abnormalities in the wiring. Ask the seller when the roof, water heater, and furnace were last replaced and don't forget to check out the condition of the basement.

## 9. PROTECT YOURSELF WITH AN INSPECTION

Have an inspection done. Skipping it could cost you several thousand dollars in the end, so don't skimp to save a couple hundred now. After you have the inspection done, read the report carefully and ask about anything you don't understand. Follow the inspector as he or she performs the inspection. Feel free to ask as many questions as you need to. If you do not know of a reputable inspector, ask your mortgage or real estate professional to recommend one to you.



## 10. CLOSING COSTS AND CONSIDERATIONS

Ask for a copy of the closing documents before you close so you can go over them at a more leisurely pace and ask any questions that may arise. Don't forget to figure your closing costs into your budget. They'll include things like (but not limited to) your first mortgage payment, property tax payments, legal fees, appraisal fees, and mortgage application fee.

Your mortgage professional will provide you with a written good faith estimate of closing costs within three days of completing your mortgage application. They will be happy to explain anything that is unclear to you at that time.

*Don't forget to have fun during the process. You'll only buy your first home once, and with the right professional guidance, it can be a stress-free and enjoyable experience.*

