

# HOME BUYING CONSIDERATIONS:

Is it affordable based on your income?

Is it move-in ready, or is it a fixer upper?

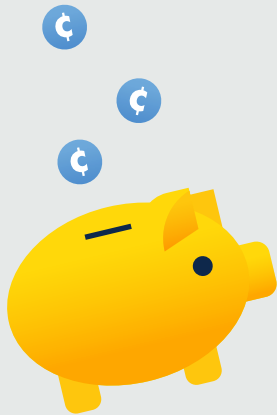
Is it rentable?



Is it in a safe and convenient area?

How long do you plan on staying in that property?  
Will you outgrow it quickly?

**There are other considerations to take into account as well, many of which are directly connected to your personal finances.**



Are there tax advantages to owning this property?

Are home prices rising, flat or falling?

Is your income rising, flat or falling?

Can you maintain the property? (Repairs, yard work, snow, etc.)

Do you qualify for this property? (Credit scores, debt-to-income ratio, etc.)

Do you have enough to "close" on this property? (Down payments, closing costs, etc.)

**Before you commit to becoming a homeowner, make a pros and cons list comparing owning and renting a property. Your list might look something like this:**

**PROS**

It's yours!

Potential monthly savings

Potential tax savings

You'll build home equity

It's an investment for later

**CONS**

It's yours

Additional monthly costs

Cost to buy/sell

You can't pick up and leave

You could lose money

**If you do decide to buy a piece of property, you'll need to provide certain paperwork. Be prepared to have documents that support the following areas.**

**Income:**

This may be W-2s, pay stubs or tax returns, for example

**Assets:**

This includes documentation like bank statements and information about retirement accounts

**Credit Information:**

This includes landlord contact information (if you're currently renting), a driver's license, social security card, etc.

**Liabilities:**

List of all debts and monthly payments

**Miscellaneous documents:**

Other documents might be necessary, depending on your situation. Examples may be divorce decrees, power of attorney or documentation about other properties you own.

**Property Information:**

A fully executed, legible purchase contract with all addendums

**You also want to think about your mortgage options. There are four types of mortgages:**

**Portfolio Loan**

**Conforming**

**FHA**

**VA**

Each requires different credit scores, percent downs, debt-to-income ratios, etc. Do some research and find which is right for you.

**If this is your first time buying a house, make sure to look for first time homebuyer programs! These may include reduced or waived closing costs, low- or no-interest loans for closing costs, or tax abatement programs, among others.**