



# TEN TIPS

## FOR FIRST-TIME HOMEBUYERS



### START SAVING NOW

If you have direct deposit through your employer, consider putting part of your paycheck directly into your savings account. Or, set up an automatic transfer from your checking account to your savings account every time you're paid. Find ways to reduce spending, too. Skip the coffee shop. Eat out less. Shop sales.



### KNOW YOUR DOWN PAYMENT OPTIONS

Many home buyers believe that 20% down is the only way to go. However, there are many lenders that allow a smaller down payment than that — as little as 3%. A local mortgage broker can discuss your options.



### FIND YOUR PERFECT NEIGHBORHOOD

Is it close to the conveniences you need (stores, parks)? Are the schools highly rated? Is it a low-crime area? All this can affect your home's value down the road. Remember, you can always make changes to your house, but you can't change its location.



### SCOUR OPEN HOUSES

This is a great way to get a real feel for the neighborhood — and your potential neighbors!



5 

### DON'T SWEAT THE SMALL STUFF

Prefer hardwood over carpet? Hate the color of the front door? Don't let it be a deal-breaker. These cosmetic items are relatively easy to fix and allow you to put your personal stamp on the home.

6 

### DON'T BE AFRAID TO NEGOTIATE

Some sellers are really motivated to sell, and you can use this to your advantage. From much-needed home repairs to closing costs, you are fully within your rights to ask the seller to help pay for them. And if they're anxious to get their house off the market, they just may say yes.

7 

### START A HOME DÉCOR FUND

Designing your living space is one of the best parts of home ownership. But filling your home with furniture and other items may be financially challenging. Try starting a separate fund designated for new furniture, art and other things that help turn your house into your home.

8 

### BE PRESENT AT YOUR HOME INSPECTION

Make sure every space in your future home is accessible and thoroughly evaluated. Don't be afraid to ask your inspector to check for additional things that may not be on their list (pests, radon, mold, etc.). This is a place you're planning to call home — it's up to you to ensure everything checks out.

9 

### DON'T FORGET ABOUT CLOSING COSTS

Your down payment isn't the only money you need up front. You'll also have to budget for closing costs, which typically run from 2%–5% of your loan amount. Your seller may agree to pay all or some of the costs to move their house to sold status. Find a local mortgage broker who can help negotiate on your behalf.

10 

### KEEP YOUR FINANCES CONSISTENT

Lenders like to see consistency when you apply for a mortgage. So to help ensure a smooth application review, don't make any major purchases, don't change or quit your job, and don't withdraw or deposit large amounts of money in or out of your bank account. Your mortgage broker can give you more tips.