

## Elite Asset Management Team

RE/MAX Elite

### 10 Ways to Prepare for Homeownership – Why RENT when you can buy.

**1. Decide what you can afford.** Generally, you can afford a home equal in value to between two and three times your gross income. Please call me so we can provide you with a FREE Loan Pre-Approval with one of our preferred lender.

**2. Develop your home wish list.** Then, prioritize the features on your list.

**3. Select where you want to live.** Compile a list of three or four neighborhoods you'd like to live in, taking into account items such as schools, recreational facilities, area expansion plans, and safety.

**4. Start saving.** Do you have enough money saved to qualify for a mortgage and cover your down payment? Ideally, you should have 20 percent of the purchase price saved as a down payment. **The GOOD NEWS is you can buy a new home for as little as 3.5% or even \$500.00 down.** Also, don't forget to factor in closing costs. Closing costs — including taxes, attorney's fee, and transfer fees — average between 2 and 7 percent of the home price.

**5. Get your credit in order.** Obtain a copy of your credit report to make sure it is accurate and to correct any errors immediately. A credit report provides a history of your credit, bad debts, and any late payments. Again, We can help you get a FREE Credit Report.

**6. Determine your mortgage qualifications.** How large of mortgage do you qualify for? Also, explore different loan options — such as 30-year or 15-year fixed mortgages— and decide what's best for you.

**7. Get preapproved.** Organize all the documentation a lender will need to preapprove you for a loan. You might need W-2 forms, copies of at least one pay stub, account numbers, and copies of two to four months of bank or credit union statements. Call me so I can help you get this started.

**8. Weigh other sources of help with a down payment.** Do you qualify for any special mortgage or down payment assistance programs? Check with your state and local government on down payment assistance programs for first-time buyers. Or, if you have an IRA account, you can use the money you've saved to buy your first home without paying a penalty for early withdrawal.

**9. Calculate the costs of homeownership.** This should include property taxes, insurance, maintenance and utilities, and association fees, if applicable.

**10. Schedule a Free Buyers Consultation.** Contact an Accredited Buyers Representative to schedule your free buyer's consultation. This will be a key step to help understand what type of home you will be looking for, area, timing goals and objectives. We will also explain the buying process with you.



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