



First Time Home Buyer Tips

Whether you have spent years saving and preparing to buy a home, or you still aren't sure if it is something you can even dream of, the questions surrounding a first-time home purchase can feel endless. Here are some tips to help you with the process of becoming your own landlord.

- **Pre-qualify for a loan**

Being pre-qualified for a loan determines how much house you can afford. It also allows you to move more swiftly when you find the right house, especially when you aren't the only interested buyer.

- **Shop for mortgage rates and terms**

A difference of even half a percentage point can make a huge difference in how much you pay over the life of a loan. For example, the difference in the monthly payment on a \$100,000 mortgage at 8 percent vs. 7.5 percent is about \$35 per month. Over 30 years, that's \$12,600.

- **Using a buyer agent**

A buyer agent is legally responsible for representing the buyer's interest in a real estate transaction. Generally, the buyer agent is compensated by the seller at the time you purchase a new home. There are some limitations to using a buyer agent, however. Before you decide, have a Realtor explain the advantages and disadvantages of using a buyer agent.

- **Features that help or hurt resale value**

In some areas, a swimming pool actually detracts from a home's value and makes the home harder to sell. In neighborhoods with two-car, attached garages, a single-car or detached garage may impact the home sale and future value. Your Realtor can point out features that hurt, as well as those that help, resale value.

- **Rate the houses you tour**

After touring each home, write down what you liked and didn't like. Develop a rating system which will help you narrow the field down to the house that's the best for you.

