

PREPARE TO BUY A HOME

- **Talk to mortgage brokers.**

Many first-time home buyers don't take the time to get prequalified. They also often don't take the time to shop around to find the best mortgage for their particular situation. It's important to ask plenty of questions and make sure you understand the home loan process completely.

- **Be ready to move.**

This is especially true in markets with a low inventory of homes for sale. It's very common for home buyers to miss out on the first home they wish to purchase because they don't act quickly enough. By the time they've made their decision, they may find that someone else has already purchased the house.

- **Make a good offer.**

Remember that your offer is very unlikely to be the only one on the table. Do what you can to ensure it's appealing to a seller.

- **Factor maintenance and repair costs into your buying budget.**

Even brand-new homes will require some work. Don't leave yourself short and let your home deteriorate.

- **Think ahead.**

It's easy to get wrapped up in your present needs, but you should also think about reselling the home before you buy.

- **Develop your home/neighborhood wish list.**

Prioritize these items from most important to least.

- **Select where you want to live.**

Compile a list of three or four neighborhoods you'd like to live in, taking into account nearby schools, recreational facilities, area expansion plans, and safety.

DEFINE YOUR DREAM HOME

	Preferences	Rate
Location		
Neighborhood		
School District		
Near Expressway		
Near Shopping		
Type		
Single-Family / Condo		
Min / Max, Prop. Age		
Willingness to Renovate		
Architectural Style		
Open Floor Plan		
Size & Makeup		
Min # of Bedrooms		
Min # of Bathrooms		
Eat-In Kitchen		
Family Room/Den		
Formal Dining Room		
Garage, # of Cars		
Outdoor, Size/Use		
Laundry Room		
Amenities		
Wood Floors/Carpet		
Heat/Cool System Types		
Other		

Write in your preferences and rate them; 3=Vital, 2= Very Important, 1= Neutral, 0= Not Important

PREPARE FOR YOUR MOVE

- **Update your mailing address** at usps.com or fill out a change-of-address form at your local post office.
- **Change your address with important service providers**, such as your bank(s), credit companies, magazine subscriptions, and others.
- **Create a list of people who will need your new address.**
You can send out formal change-of-address notices in the mail or just e-mail family members, friends, and colleagues.
- **Contact utility companies.**
Make sure they're aware of your move date, and arrange for service at your new home if the service provider will remain the same.
- **Check insurance coverage.**
The insurance your moving company provides will generally only cover the items they transport for you. You may want to get coverage for any items you'll be moving yourself.
- **Unplug, disassemble, and clean out appliances.**
This will make them easier to pack, move, and plug in at your new place.
- **Pack an "Open First" box.**
Include items you'll need most, such as toilet paper, soap, trash bags, chargers, box cutters, scissors, hammer, screwdriver, pens and paper, cups and plates, water, snacks, towels, and basic toiletries.

If you're moving a long distance:

Obtain copies of important records from your doctor, dentist, pharmacy, veterinarian, and children's schools.

TRACK YOUR BUDGET

Income		Expenses	
Total Take-Home		Total Rent/Mortgage	
Child		Child Support/Alimony	
Pension/Social		Health Insurance	
Disability/Other		Life Insurance/Other Insurance	
Interest/Dividends		Vehicle Insurance/Upkeep	
Other		Other Loans	
		Utilities	
		Credit Card Payments	
		Groceries	
		Clothes/Personal Care	
		Medical/Dental/Prescriptions	
		Household Goods	
		Child Care/Education	
		Charitable Donations	
		Eating Out/Entertainment	
Total Income:		Total Expenses:	

FINAL WALK-THROUGH

- Basement, attic, and every room, closet, and crawl space have been checked.
- Requested repairs have been made.
- Copies of paid bills and warranties are in hand.
- No major, unexpected changes have been made to the property since last viewed.
- All items included in the sale price — draperies, lighting fixtures, etc. — are still on site.
- Screens and storm windows are in place or stored onsite.
- All appliances are operating (dishwasher, washer/dryer, oven, etc.).
- Intercom, doorbell, and alarm are operational.
- Heating, air conditioning, and Hot water heater systems are working.
- No plants or shrubs have been removed from the yard.
- Garage door opener and other remotes are available.
- Instruction books and warranties on appliances and fixtures are available.
- All debris and personal items of the sellers have been removed.

TRACK CLOSING COSTS

	Buyers Costs	Sellers Costs	Other
Down Payment			
Loan Origination			
Points Paid to Receive a Lower Interest Rate			
Home Inspection			
Appraisal			
Credit Report			
Mortgage Insurance Premium			
Escrow for Homeowner's Insurance (if paid as part of the mortgage*)			
Property Tax Escrow (if paid as part of the mortgage*)			
Deed Recording			
Title Insurance Policy Premiums			
Land Survey			
Notary Fees			
Home Warranty			
Proration **for your share of costs (such as utility bills and property taxes)			

HOME INSPECTIONS

Structure

The home should be able to stand up to weather, gravity, and the earth that surrounds it. Structural components include foundation and the framing.

Exterior

The inspector should look at sidewalks, driveways, steps, windows, doors, siding, trim, and surface drainage. They should also examine any attached porches, decks, and balconies.

Roofing

A good inspector will provide important information about your roof, including its age, roof draining systems, buckled shingles, and loose gutters and downspouts. They should also inform you of the condition of any skylights and chimneys or potential for pooling water.

Plumbing

They should thoroughly examine the water supply and drainage systems, water heating equipment, and fuel storage systems. Drainage pumps and sump pumps also fall under this category. Poor water pressure, banging pipes, rust spots, or corrosion can indicate larger problems.

Electrical

You should be informed of the condition of service entrance wires, service panels, breakers and fuses, and disconnects. Also take note of the number of outlets in each room.

Heating and air conditioning

The home's vents, flues, and chimneys should be inspected. The inspector should be able to tell you the water heater's age, its energy rating, and whether the size is adequate for the house. They should also describe and inspect all the central air and through-wall cooling equipment.

Interiors

Your inspector should take a close look at walls, ceilings and floors; steps, stairways, and railings; countertops and cabinets; and garage systems. These areas can reveal leaks, insect damage, rot, construction defects, and more.

Ventilation/insulation

Inspectors should check for adequate insulation and ventilation in the attic and in unfinished areas such as crawl spaces. Insulation should be appropriate for the climate. Without proper ventilation, excess moisture can lead to mold and water damage.

Fireplaces

They're charming, but fireplaces can be dangerous if they're not properly installed. Inspectors should examine the vent and flue, and describe solid fuel-burning appliances.

What to Know about Home Hazards

Radon

A colorless, odorless gas that can seep into your home from the ground, radon is often referred to as the second most common cause of lung cancer behind smoking. What to look for: Basements or any area with protrusions into the ground offer entry points for radon. The Environmental Protection Agency publishes a map of high-prevalence areas. A radon test can determine if high levels are present.

Asbestos

A fibrous material once popular as fire-resistant insulation, asbestos was banned in 1985. However, it's often found in the building materials, floor tiles, roof coverings, and siding of older. If disturbed or damaged, it can enter the air and cause severe illness.

What to look for: Homes built prior to 1985 are at risk of having asbestos in their construction materials. Home owners should be careful when remodeling because disturbing insulation and other materials may cause the asbestos to become airborne.

Lead

This toxic metal used in home products for decades can contribute to several health problems, especially among children. Exposure can occur from deteriorating lead-based paint, pipes, or lead-contaminated dust or soil.

What to look for: Homes built prior to 1978 may have lead present. Look for peeling paint and check old pipes. To get a HUD-insured loan, buyers must show a certificate that their older home is lead-safe.

Other Hazardous Products

Stockpiles of hazardous household items — such as paint solvents, pesticides, fertilizers, or motor oils — can create a dangerous situation if not properly stored. They can easily spark fires and can cause illness or even death if ingested, even in small amounts.

What to look for: Check all the corners, crawl spaces, garages, or garden sheds in the home. If these products are found, make sure you ask for their removal and get a disposal certificate prior to closing.

Groundwater Contamination

When hazardous chemicals are disposed of improperly, they can seep through the soil and enter water supplies. A leaking underground oil tank or septic system can contribute to this.

What to look for: Homes near light industrial areas or facilities may be at risk, as are areas once used for industry that are now residential.