



## Tips To Help You Buy A Home Despite Student Debt

(NAPSA)—There's good news for young people hoping to buy their first home. A recent National Association of Realtors® (NAR) survey found that buying a house while carrying student debt is not impossible. In fact, 41 percent of recent first-time buyers had student debt, with a typical balance of \$29,000.

### What You Need to Do

Here are three tips to help you on your journey to homeownership while paying off your loans:

**1. Start saving for a down payment now.** After paying rent, student loan bills and other monthly expenses, setting aside enough money for a sizable down payment of 20 percent may seem like a daunting task. Thankfully, most successful buyers come to the closing table with a lot less cash.

NAR's survey found that recent first-timers typically made a down payment of 5 percent. At the current national median existing-home sales price of \$247,000, that's a much more manageable amount of \$12,350.

The more money you can put down, the better. Assess your current financial situation, including total expenses, and start saving as much as you can.

**2. Meet with a lender to find out your options.** A lender will check your credit history, current debt obligations and other expenses to determine the amount of money you are qualified to borrow for a mortgage.

There are a number of mortgage loan programs available for homebuyers with student debt, and many lenders have



### Following three tips can help you buy a home despite having student debt.

made favorable changes to how this debt is calculated as part of a borrower's overall debt-to-income ratio. Furthermore, many lenders are now offering conventional loans for those with good credit with a down payment as low as 3 percent.

**3. Be honest about what you can afford and rely on a real estate professional.** When determining how much of a mortgage payment you can handle, be sure to factor in both the amount and total time you have left to pay off your student loans. Don't get stuck in a situation where your housing costs and student loans are stretching you thin.

That's one reason using a Realtor®, a member of the National Association of Realtors®, is crucial to finding a home that fits your needs. A Realtor® will identify homes in your price range and negotiate on your behalf to ensure you stay within your budget.

### Learn More

You can start your search today at [www.realtor.com/realestateagents](http://www.realtor.com/realestateagents).