

HOME BUYING HINTS

What You Need To Know

(NAPSA)—Having the right information can make buying a home easier. Start by answering some basic questions:

- Do you have a stable, reliable source of income? Have you been steadily employed for the past two years? When you apply for a mortgage you will be asked for your pay stubs, bank statements and other financial statements to qualify. Gather the information early, to save time and hassle filling out the mortgage application.

- Do you consistently pay your bills on time, including rent, auto loans, utilities and consumer loans such as department store credit cards? Your credit history affects the type of loan and the interest rate you get. You can find out your credit history from the three principle credit bureaus: Equifax, Experian and Trans Union LLC.

- Is your debt manageable? Can you afford a mortgage payment, repairs, upgrades and other expenses of homeownership? Broken appliances, a leaky roof, peeling paint and other repairs will be your responsibility.

- Can you afford the down payment costs and closing costs? Typically three to 20 percent of the home price is needed in cash for a down payment. On top of that are closing costs that can add thousands more. In fact, according to the Department of Housing and Urban Development (HUD), the single greatest barrier to buying a home is the down payment. If you don't have the cash up front, there



What kind of home do you want? Would you rather have a house with a yard or a town house with less maintenance?

are non-profits and other organizations that can help. The largest non-profit organization offering down payment gifts, AmeriDream, Inc., donates up to five percent of the home's purchase price for closing and down payment costs to qualified buyers.

- What kind of mortgage do you want: adjustable rate mortgage or fixed? Consult a qualified lender for help.

- Where do you want to live: city, country, in between? Keep in mind the location of schools, shopping and your workplace.

- What do you want in your home: number of bedrooms; a garage; fireplace; wood floors? Determine what you can't live without and what you may be able to change down the road.

To learn more about buying a home, go to www.hud.gov. For information on down payment assistance, see www.ameridream.org.