

Find out if you're ready to step into your own home.

Are you thinking of buying your first home? Before you take the plunge, it's important to determine if you're ready. Buying a home is exciting, but it's also a big step that comes with quite a bit of work and responsibility. Making sure you're prepared will help save you money and headaches later on in the process.

Here are some questions to ask yourself to see if you're ready to become a homeowner.

- **How's your credit score?**

Before you even start viewing real estate sites and MLS listings, check in on your credit score. It's important to see what potential lenders will see when they pull your credit. Is your score low? Have you had a bankruptcy within the past seven years? Do you have too many credit accounts? You can get one free credit report each year at www.annualcreditreport.com. If you see errors on your credit report, it will take some time to clear them up and you'll need to work with one of the credit bureaus to fix the errors. If your score is not as high as you would like, you may want to wait a few months, keep your payments on time and pay off outstanding balances to bring up your score. Also, if you're able to, try to curb spending and don't start taking out any new lines of credit.

- **Are you employed?**

Having a steady income is critical when trying to secure a mortgage. Lenders want to reduce risk, so they are less likely to approve a loan without seeing at least 6 months to a year of regular, monthly income that can cover the monthly mortgage payment.

- **Can you afford the monthly payment?**

Look at all costs that go into the payment, which is not only the mortgage, but the escrow, taxes and insurance. It's recommended that your home cost be not more than 20-30% of your monthly income, try not to stretch your finances too thin, give yourself a buffer for other expenses.

- **Do you have a financial cushion?**

You don't want to empty out your bank account to buy a house because you will need a cushion if (and when) you have to deal with unexpected repairs, maintenance or any other unplanned expenses. Plus, there are probably improvements you want to do to make the home your own.

- **Can you pay for the extra costs?**

Besides the mortgage, downpayment, closing costs and taxes, there's other expenses after you get the keys to your home. Costs to move, buy furniture, set up cable, phone, electric, etc. can add up and you want to make sure you have money set aside for living and setting up your new home.

- **Are you ready to be hands on?**

If you've been renting, you're probably used to a landlord taking care of repairs such as plumbing, snow removal, lawn care, electrical problems, etc. While you don't need to be an expert, it will save you money if you can do quick repairs on your own. Learning how to tackle home improvements on your own will take time and patience, plus getting your hands dirty and tackling home projects can be rewarding.

- **Are you committed to the location?**

Buying a home is not only a commitment to the house you choose, but also to where you choose to buy. Make sure you do your research on the area. Think about where you want to be in the years to come. If it's short term, don't buy a home that you can't sell later on. Areas with good schools, shopping, parks and a nice neighborhood will be easier to sell when you're ready to move to your next home. Try to balance the type of house you want with the location as both are equally important for building equity and value.

ARE YOU READY TO OWN A HOME?



- Check the market.

Looking at current real estate trends and interest rates in your state and area may help guide you in your home buying decision.

With careful planning, smart research and resilience, you can land the right house for your budget and needs. [Contact Freedom Mortgage](#) today and we'll help guide you throughout the [buying process](#).