

Are you ready to own a home?

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

Are you dreaming of owning a home? Buying a home is exciting but can feel like a big step. Ask yourself these questions to see if you're ready to become a homeowner!

How's your credit score?

Before you check out real estate websites, check your credit by requesting a free copy of your credit report at www.annualcreditreport.com. If you see errors on your report, work with one of the credit bureaus to fix the errors or have them removed. Then take a look at your [credit score](#). Credit scores typically range between 300 and 850, and a higher score is better than a lower one.

Your credit score tells lenders about your financial history and gives them an estimate of how likely you are to pay back a loan. Lenders use your credit score to help them decide whether they will offer you a loan and what interest rate they might charge. If you have a lower score, you might want to wait until your score improves to own a home.

Do you have a steady job?

Having a steady income is important when you apply for a mortgage. Lenders usually want borrowers to document they have a steady income before they will approve them for a loan to buy a house.

Have you saved money for a down payment?

Most people need to make a down payment when they buy a house. The size of the down payment they need to make can depend on many factors. Active duty military personnel and veterans who qualify can use [VA loans](#) to buy a house without a down payment. People who meet the [requirements for FHA loans](#) may be able to buy a house with a down payment as low as 3.5% of the purchase price. Keep in mind a smaller down payment may require you to have mortgage insurance.

Can you afford the monthly home payment?

When you own a house, your monthly bill includes more than just principal and interest payments. You need to pay real estate taxes, homeowner's insurance premiums, and maybe mortgage insurance premiums too. Our [Mortgage Payment Calculator](#) can help you estimate how much your monthly costs might be. Financial professionals generally recommended that your home cost not exceed 20% to 30% of your monthly income.

Can you afford all your other monthly bills too?

Your mortgage payment isn't your only bill. You'll have utility payments and living expenses plus maybe a car payment, student loans, or other debt payments. Making a budget that looks at your total monthly income and monthly expenses is a good idea when you are thinking about owning a house.

Do you have a financial cushion for emergencies?

Life is full of surprises and some of them come when you own a home. If you can, keep some money in the bank for sensible home maintenance and unexpected home repairs. Plus you might want to make renovations or improvements sooner rather than later.

Are you ready to get your hands dirty?

If you are thinking about owning your first house, chances are you've been renting or living with family. That means someone else has probably been worrying about the plumbing and the roof, mowing the grass and shoveling the snow. When you own a house, you get to worry about these things! While you don't need to be an expert when it comes to home maintenance, you will save money if you can do quick repairs yourself.

Are you ready to settle down in one place?

You don't have to live forever in the first house you own, but you'll want to live in it for several years since you'll be paying [closing costs](#) and moving costs and other expenses. Plus you may end up living in the house for a while so make sure to research the neighborhood, look at the school system if you might have kids one day, and look at the potential to build equity through rising housing prices in your community.



[Are housing prices and interest rates right for you?](#)

Finally look at the price of houses in the places where you want to live. The cost of real estate can be very different from place to place, and what houses cost and what you can afford will probably influence your decision. [Interest rates](#) are also a factor. Rising interest rates make buying a home more expensive and falling interest rates make it cheaper. Keep in mind that the interest rates lenders might offer you are influenced by many things, and might be higher or lower than current rates you hear about on the news.

Want to know how much house you can afford? Take a look at our [Mortgage Affordability Calculator](#) for an estimate. Freedom Mortgage's friendly Loan Advisors are also happy to talk to you about your loan options and how much money you may be able to borrow from us. [Get Started](#) today or call us at 877-220-5533.

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