

## *10 Steps To Prepare for Homeownership*

1. **Decide how** much home you can afford. Generally, you can afford a home equal in value to between two and three times your gross income.
2. **Develop a wish** list of what you'd like your home to have. Then prioritize the features on your list.
3. **Select three** or four neighborhoods you'd like to live in. Consider items such as schools, recreational facilities, area expansion plans, and safety.
4. **Determine if** you have enough saved to cover your downpayment and closing costs. Closing costs, including taxes, attorney's fee, and transfer fees average between 2 percent and 7 percent of the home price.
5. **Get your** credit in order. Obtain a copy of your credit report.
6. **Determine how** large a mortgage you can qualify for. Also explore different loans options and decide what's best for you.
7. **Organize all** the documentation a lender will need to preapprove you for a loan.
8. **Do research** to determine if you qualify for any special mortgage or downpayment-assistance programs.
9. **Calculate the** costs of homeownership, including property taxes, insurance, maintenance, and association fees, if applicable.
10. **Find an** experienced REALTOR<sup>(R)</sup> who can help you through the process.