

Tips For First-Time Buyers



Each year more than 40 percent of all homes are purchased by first-time buyers according to the National Association of Realtors, a percentage which should offer some comfort if you're about to buy a first home. Others have done it, others are doing it, and you can too.

But like most things, there are ways to make the process easier. Here in capsule form, are 10 baseline strategies to make that first purchase a good experience.

- **Think credit:** Poor credit will make you a bigger risk in lender eyes -- and more risk means higher rates and steeper monthly mortgage costs. Make a point of paying credit card bills, auto loans, rent, and other payments on time, all the time, and in full.
- **Consider taxes:** When you buy a home mortgage interest and property taxes are generally deductible from income taxes. This means while monthly housing costs may be larger when you own than when you rent, what you save in taxes can make up some or all of the difference. For details, speak with a tax professional.
- **Know the broker's role:** Real estate brokers are at the center of most property transactions. It's important for you to know what a broker does, who is represented, and how the brokerage system works.
- **Consider what location will work best for you:** Look at your needs, the needs of household members, and your preferences in terms of commuting, shopping, recreation, and other factors that are important to you.
- **Plan on getting a home inspection:** A professional home inspection can help you understand the condition of the property and the repair bills you are likely to face in the next few years.
- **Pre-approval:** Get pre-approved so you generally know how much you can borrow, and what you can afford. This also conveys to the owners that you are a serious, qualified buyer.
- **Save:** You'll need money for a down payment, closing costs, moving, and other expenses. Put off trips and luxuries until after you're in your new home.
- Examine the different financial options which are open to you -- consider FHA, VA, and state-backed loan programs which require little down and have liberal qualification standards.
- **Gifts and grants:** According to the National Association of Realtors, 22 percent of all first time buyers receive gifts from relatives and or friends. Please note strict guide lines are in place to document gifts. Some companies offer grants and other incentives to employees who are buying a home. The State of Alaska has a unique first time home buyer program that can prove helpful. In the past the Fed's established special programs for teachers and police officers.
- **Don't be afraid to ask questions:** Start now, take your time, and ask as many questions as you like. Don't be intimidated by the process. Being a first-time home buyer is challenging, but millions of people do it each year -- and you can too. I would

love to team up with you as you move forward in purchasing a home. My experience, market knowledge, and my desire to assist you will give you a buying experience that is pleasurable, hassle free, and profitable! Do you have any questions? I'm here to help, and I can provide the information and materials you need. Contact me today.

Provided By:

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“Serving Alaskans for over 35 years”



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Note: If this article generates additional questions or a need for additional information, the following button will allow you to ask your question(s), request additional information or make comments. It is not my intent to bug you with unwanted phone calls, emails, or text messages! It is my intent to allow you to benefit from my 35+ years real estate activity and to give you a buying experience beyond your expectations!

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