

# The Complete Guide to Buying a Home

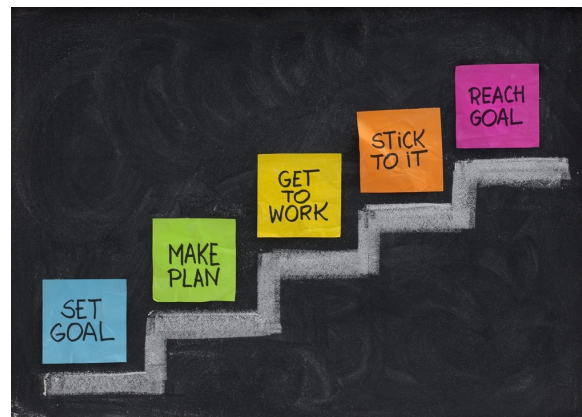
**Congratulations!** You're considering the prospect of becoming a homeowner, The American Dream.

Buying a home is a significant decision that can have long-lasting effects. To help you demystify the process and get the most out of this purchase, let's examine what you'll need to consider before you buy, what to expect during the buying process, and some helpful tips post closing.

## 1) **Goal setting** -

To start you want to consider what your long term goals are, from there you will want to establish where home ownership fits in that long term plan. Some people see home ownership as a way to make good on all those rent payments, by making mortgage payments instead that lead to owning something tangible— entering the conversation, EQUITY!!!

While others appreciate the independence of home ownership and enjoy the idea of being their own landlord. There are those that view home ownership as a form of investment.



Once you understand your larger home ownership plan, you can then begin to take it in small portion to reach you end goal. Here are some questions to consider:

- **What type of home best suits your needs?**

- You have several options when choosing from residential property. There are traditional single family, condominiums, townhouses, co-operatives, and multi families with two-four units. Each option has its pros and cons in relation to the goals you set at the start.
- It's up to you to figure out which type of home will move you closer to achieving your goals. You can save on purchase price with any of these home types by opting for a fixer upper. Although it may take some time, money, and sweat equity turning a fixer upper into your dream home may be turn out to be more than you bargained for.



- **What specific features your ideal home have?**

- Although it's a good idea to be flexible with the list, this is a major purchase that you worked hard for. You deserve a home that is a perfect fit between your needs and wants. Your list should include the basics such as neighborhood and size, all way to the details of floor plans, double in an ensuite master bathroom, and quality appliances in the kitchen.

## 2) Determine your budget

- Before you start looking at homes, it's essential to know how much you can afford. Consider factors like your income, expenses, and debt to calculate a realistic budget.
- It is paramount to make sure your personal finances are in order when looking to purchase a home. To qualify for a mortgage it is ideal to have good credit, a history of paying your bills on time, and a debt to income ratio (DTI) of no more than 36%
  - Debt to income ratio is the amount of your monthly gross income that goes to making your monthly debt income. In this case it is best that your monthly debt payments do not exceed more than 36% of your monthly income.

## 3) Obtain pre approval

- Once you have worked out your budget, its time to meet with a mortgage representative to obtain a mortgage pre-approval. This meeting will determine how much you are allowed to borrow, this will give you an idea of the types of homes you can afford and make your home search much more efficient.

## 4) Hire a Realtor®

- Here's where the fun begins! Although a Realtor® help through the entire from budget setting, to connecting you to a mortgage rep; you should consider working with a reputable real estate agent who can guide you through the house hunt. They can provide insights into the local real estate market and help you find homes that meet your specific needs and budget.
- Once you have a real estate agent, begin your search for homes that meet your criteria. Attend open houses, schedule showings, and take the time to view homes in person to get a feel for the property.



## 6) Make an offer

- Once you find a home that meets your needs, make an offer that reflects the home's fair market value. Your real estate agent can help you determine a reasonable offer and negotiate on your behalf.



## 7. Conduct a home inspection

- After your offer is accepted, hire a professional home inspector to evaluate the property's condition. The inspection report will reveal any potential issues or concerns, allowing you to make an informed decision about the purchase.

## 8. Close the deal

- If the inspection goes well, you can proceed to closing the deal. This involves signing legal documents and paying the down payment and closing costs. Once the transaction is complete, you can move into your new home.

## Now that you're a home owner, What's next?

You have signed the closing documents, received the keys, hire the moving vans, and added your personal touches. The place is started to feel like home. You can now kick back put your feet up and let that EQUITY you heard so much about build up. Not quite, let's dive into some tips to ensure that you get to enjoy your new home for years to come.

- **Keep saving**

- You're a landlord now, and with home ownership comes major unexpected expenses. This month you need a new water heater, or you'll have to replace the rain gutters. It'll behoove you to start an emergency fund for your home in preparation for when the inevitable happens.



- **Maintain the home**

- Once you own a home, it's essential to keep it well-maintained to ensure its long-term value. Regularly inspect the property for maintenance issues and address them promptly to avoid costly repairs down the road.
- Remember that preventative maintenance is often cost effective compared to undergoing total replace or repair.

- **Ignore the housing market**

- The value of your home does not matter as long as you occupy it, it only matters the moment you are looking to sell. Furthermore, the ability to choose when you sell, rather than your hand being forced by job relocation or financial distress will be the biggest indicator as to whether you will see a solid profit. My best advise, my the business that minds you. Be sure to make your payments on time and build that EQUITY, and you'll be in good shape when it's time to sell.

- **Don't rely on selling your home as your Retirement plan**

- Continue to make contributions to your retirement savings accounts. Although people have yield large returns for properties owned over several years, there are several variables and factors that have made that possible. Don't expect to make a killing when it's your time to sell.
- Instead consider that once your home mortgage has matured, all those mortgage payments you've been making can be used to fund some of your living and medicals expenses during retirement.

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