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Your First HOME

Buying your first home is an exciting proposition. There's nothing like having a place to call your own, the original American dream. And with today's low interest rates and a first-time homebuyer's credit of up to \$8,000 (through December 1, 2009), coupled with reduced prices and motivated sellers, there's never been a better time to buy in the Carolinas.

**By Wendy Tanson,
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Of course, knowing what to buy, and how, can be a bit daunting. Armed with the right tools and information, however, buying your first home can be a smooth, exhilarating and downright fun experience. Here's an overview of what you'll need to know to make that first home purchase a successful and rewarding one.

PREQUALIFY

First, get prequalified. Lenders have tightened the reins on home mortgages, so it's more important than ever to meet with a lender up front. You'll learn what purchase price you qualify for, at what interest rate, as well as what savings you'll need for the purchase.

When you prequalify, your lender will also run a credit check to ensure there are no blemishes (mistaken or otherwise) on your credit history that would inhibit your ability to get a mortgage. If you prefer, you can obtain a copy of your credit report before meeting with a lender through free websites such as www.consumerinfo.com.

CREATE A WISH LIST

With prequalification under your belt, the fun begins! First, put together a wish list for your new home. Some questions to consider: What are the features you've got to have? What features would you like to have, and which are optional? What have you liked about past places you've lived? What have you not liked? It's also important to keep future needs in mind. Will one of you be working from home? Is there an addition to the family in the near future? Will parents be visiting on a regular basis? Each of these factors can be important considerations.

In creating your wish list, you'll also want to consider preferences regarding the age of the property, lot size and type, commute time to school or work, quality of the local schools, area demographics, and the proximity of important amenities to you. (For example, perhaps you've just got to be within 10 minutes of a dog park, grocery store or gym.) You'll also want to think about the type of property that suits you best. Are you interested in a single-family home, or is a townhome or condo in your future?

MEET WITH A REALTOR

With your wish list in hand, it's time to meet with a Realtor. This is too important a process to navigate without one, and best of all, having a buyer's agent is free! You get an advocate, negotiator, counselor and all-around champion of your interests, at no charge to you. Choose someone you know and trust, or ask those you know for a referral. Your local Chamber of Commerce can be a great resource as well. Through your initial meeting, you can see if your Realtor is a good match for you; someone who knows the market and understands your needs and interests. Your Realtor will want to learn what's important to you and will help you define your ideal home and determine priorities. Your Realtor will then set up a custom search that's focused on your specific housing criteria.

THE SEARCH BEGINS!

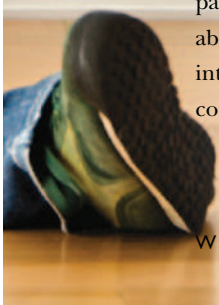
The excitement builds as your custom search identifies potential properties and you head out for showings. Feel free to bring a camera and take as many photos as you like. In addition, be sure to take notes if you're seeing several properties at once, for easy recall on what you liked, or didn't like, about each property.

As you evaluate each candidate, consider the following questions: Does the property have the spaces and types of rooms you need? How is the flow from room to room? How many of your wish list features does it offer? What is the condition of the home? And most importantly, does it give you the warm-fuzzies?

This last question is critical, because for all of the list-making and analyzing you may do, the greatest deciding factor should be your gut. Is it a place that makes you feel good? A place you'd want to linger? Simply put, does it give you the warm-fuzzies?

MAKING AN OFFER

So your searching has paid off and you've found just the right home. You're over the moon excited, and you're ready to make an offer. What's next? First, your Realtor will perform a market analysis for you to determine how the property is priced and give you guidance on what to offer. Then you and your Realtor will complete the



offer paperwork and submit it along with your prequalification letter and earnest money deposit.

Next, your Realtor will present your offer to the listing agent. The offer may be accepted, rejected or countered. Often, there are several rounds of negotiation between buyer and seller on the terms of the offer. Once both parties come to agreement in writing, you're officially under contract, and your earnest money is then deposited.

UNDER CONTRACT

First, go open a bottle of bubbly. You just put your first house under contract! Next, meet with your lender to get the loan process started, and work with your Realtor

to schedule inspections, which may include home, termite, well/septic and radon, depending on the property. Once inspections are complete, your Realtor will review the findings with you and will draft a repair request for the seller. Often, negotiations ensue about the number and type of repairs to be completed.

During the time between contract and close, your lender will work with you to approve your loan, your property will be appraised, and you'll choose a closing attorney and homeowner's insurance. Utilities will be transferred to your name, and you and your Realtor will conduct a final walk-through to ensure all repairs are complete and that

the house is in the same or better condition as at the time of contract.

THE CLOSING!

The closing occurs at your attorney's office and generally takes an hour or less. You'll sign all of your loan documents, bring a bank check for the amount not financed (typically down payment and closing costs), and will be given the keys once the deed is recorded, usually later that same day. Then, you're free to celebrate heartily and relish the knowledge that you're now a homeowner. You can look forward to reaping financial and emotional benefits for years to come.

Congratulations! You've just bought your first house.

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