

# GETTING A MORTGAGE TO BUY A HOME

## **1. Talk to a mortgage broker or lender.**

Prequalifying for a mortgage should be the first thing on your homebuying to-do list. Talk to an agent who's a REALTOR®, a member of the National Association of REALTORS® for lender and mortgage broker recommendations. (Mortgage brokers don't fund loans; instead they offer options from several different lenders.) Shop around to find the best mortgage for your particular situation, ask questions about anything that's unclear, and make sure you understand the home loan process completely.

## **2. Be ready to move.**

This is especially true in markets with a low inventory of homes for sale. It's very common for home buyers to miss out on the first home they wish to purchase because they can't act quickly enough.

## **3. Find a trusted partner.**

It's absolutely vital that you find a real estate professional who understands your goals and who is ready and able to guide you through the home buying process.

## **4. Make a good offer.**

Especially in a low-inventory market, your offer is unlikely to be the only one on the table. Do what you can to ensure your offer is appealing to a seller.

## **5. Factor maintenance and repair costs into your buying budget.**

Even brand-new homes will require some work. Lenders and insurance companies generally suggest setting aside 1% to 4% of a home's value for annual maintenance costs. Don't leave yourself short and let your home deteriorate.

## **6. Think ahead.**

It's easy to get wrapped up in your present needs, but you should also be thinking about your long-term exit strategy. Buyers expect to stay in their home a median of 15 years, according to the National Association of REALTORS® 2023 Profile of Home Buyers and Sellers. Younger buyers, age 18–44, typically expect to move within 10 years.

## **7. Narrow down your search area.**

Compile a list of three or four neighborhoods where you'd like to live, taking into account factors that matter to you, such as nearby healthcare options, schools, recreational facilities, shopping and area expansion plans.

## **8. Develop a wish list.**

Take your time and write down what you want, including a wide range of factors that matter to you—from noise levels to house layout to number of bedrooms and bathrooms. Rank items, or prioritize them by dividing them into two categories—wants and needs. The needs are features you won't compromise on.