

BUYING YOUR FIRST HOME: How to Prepare

You have access to local, state, and federal programs to help you afford your dream home. Here is a step-by-step guide to help prepare you for the home buying process.



1 FIND OUT WHAT YOU CAN AFFORD

When looking for a home, you'll want to prepare for a down payment, monthly mortgage, and closing costs. Many people think that they have to be prepared to place a 20% down payment, but your down payment can be as low as 3%. The most important thing is to find what works best with your income and savings! To get an idea of what down payment, home price, and mortgage payment is affordable for you, you can use our [home affordability calculator](#).

2 LEARN ABOUT MORTGAGE OPTIONS

Most first-time home buyers opt for a [conventional mortgage](#): either a fixed-rate or adjustable-rate mortgage. The monthly payment on a fixed rate mortgage never changes, whereas an adjustable-mortgage monthly payment rate can increase or decrease every few years. If you're opting for a lower down payment, an [FHA](#) or a [VA mortgage](#) may be a good option. No matter which mortgage you choose, it's best to shop around and compare the offerings of multiple lenders so that you can get the best interest rate and [get pre-approved](#) for a mortgage. That way, you know exactly what you can afford when shopping for a home!

3 LEVERAGE ASSISTANCE PROGRAMS

As a first-time home buyer, you have access to state, local, and federal programs to help you afford your down payment and closing costs. You can find out what [state and local programs](#) are available to you by [contacting](#)

[your state housing authority](#) or by speaking with a [local HUD housing counselor](#) to see if you qualify for any home buying assistance.

4 TEAM UP WITH A REALTOR®

Buying a home is the biggest investment most people will ever make, so it is important to have an expert by your side to guide you through the process and advocate on your behalf. A [REALTOR®](#) is a market and negotiating specialist, who will use their expertise to get you into your dream home and help you every step of the way. Find [your REALTOR®](#) today.

5 FIND YOUR DREAM HOME

This is the fun part! You know what you can afford, and can start looking at [real estate listings](#), then ask your REALTOR® to set up appointments to see your favorite. There are a lot of homes on the market, so it's best to [make a list of your wants and needs](#) to get started: Do you want to be in a specific school district? Is a basement a must-have? Making a list we help you find the perfect home to suit your lifestyle. [Here are some tips for those house hunting during COVID-19.](#)

CONGRATULATIONS!

YOU'RE ON YOUR WAY TO BECOMING A HOMEOWNER! STAY INFORMED ABOUT POLICIES AND PROGRAMS IMPACTING HOMEOWNERSHIP.