

Taking fear out of buying a home

Today on NPR I heard a program about taking the fear out of making your first purchase of fine art. This got me thinking, how can we make the home buying process less daunting for first time buyers?

Here are five for making buying a home a positive experience. (These tips focus on the financial aspect of buying a home. Next week we'll tackle house hunting itself!)

Check into the financial benefits and implications of buying home. Explore the tax benefits of home ownership as well as all of the costs involved in acquiring a home to avoid surprises along the way. Home buying costs include the home inspection, mortgage application fee, attorney's fees, closing costs, moving costs, and more.

Get a preapproval letter before you begin house hunting. Before you start shopping for a home, get a preapproval letter to determine how much the bank will lend you. Carefully look at all your expens-

ON THE MOVE

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es to determine the amount you feel comfortable with for a mortgage payment.

A word of caution: It's tempting to want to spend the most you're approved for. After all, a \$350,000. will usually seem more appealing than a \$300,000. home. However spending to the max can easily get you into trouble if you hit unexpected financial issues down the road.

Check into special incentives. Ask your mortgage person if you qualify for any special loan programs. Based on your income, credit score, and other criteria, you may find mortgage programs and incentives that will make buying a home more feasible. For example, FHA (Federal Housing Administration) loans allow qualifying persons to buy qualifying homes with a small down payment. Also,

the first time buyer tax credit is still available to military personnel in certain situations.

Keep an eye on mortgage rates. Even a slight increase in mortgage rates can mean a big spike in your monthly payments. Shop around for the best rates, and then work with a reputable lender to lock in your rate at the most opportune time.

Create an emergency fund. Be sure you have extra funds available to tackle the unexpected. Whether you run into a home repair issue or a work shortfall, don't let unforeseen issues turn into a catastrophe.

Do you have a real estate question? Write to our real estate blogger Leslie Mann at realestatequeries@yahoo.com or visit your blog on the Hopkinton Crier. She'd be glad to answer your questions here.

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