

Many first time homebuyers assume a pre-approval letter guarantees them a loan. Unfortunately, that's not true. This list of homebuying do's and don'ts will help you steer clear of the most common mistakes.

DO

CHECK YOUR CREDIT

Before getting pre-approved, check your credit report on annualcreditreport.com to be sure it's correct. Fix any errors, and don't do anything that will affect your score!

GET PRE-APPROVED

You need to know what you can afford before you start looking at homes. Plus, most sellers will pass on offers from buyers who have not been pre-approved.

KNOW WHAT YOU'RE COMFORTABLE SPENDING

Write down your monthly after-tax income. Subtract all of your monthly bills and expenses. If you spend all of that money on a payment, you'll have nothing left. So STAY BELOW that number!

PAY FOR A HOME INSPECTION

Even if a seller provides a past inspection report, hire a professional to inspect the home. If your inspector uncovers a problem it may save you thousands of dollars.

PLAN FOR FUTURE PURCHASES

You may not own all the furniture you need to fill your new home. Plan for those expenses now so they aren't a financial burden after you move in.

DON'T

APPLY FOR NEW CREDIT

New lines of credit will make lenders wonder if you'll be able to afford a mortgage. So don't take out any auto loans, or apply for new credit cards until after you close.

CHANGE JOBS

A stable job shows you have reliable income to use for a mortgage payment. Changing jobs is a red flag that your income may not be very stable.

PAY YOUR BILLS LATE

This is another sign that your financial situation isn't stable enough to warrant lending you money for a mortgage. Make sure you develop a history of paying bills on time.

MAKE MAJOR PURCHASES

Lenders will look at how much of your credit line you've used that has yet to be paid back. Major purchases will raise this number, which may lower your chance of securing a mortgage.

CHANGE YOUR FINANCES WITHOUT TALKING TO YOUR LENDER

If this is your first time buying a home, it's a good idea to "look before you leap". Since we've just about seen it all, you can rely on us to help you get into the home of your dreams.

We've invested our energy into streamlining and updating the entire mortgage process so that buying a home never feels like a hassle. We're pleased to bring you a faster and more technologically advanced way to finance your home.



Gary Talbot

Senior Mortgage Consultant
NMLS #47462

(413) 256-5541

Gary.Talbot@member
advantagemortgage.com

