

# 7 Tips for First-time Home Buyers

- 1 Get clear on what you want
- 2 Do your research
- 3 Talk to the bank
- 4 Think about the future
- 5 Find a good Realtor
- 6 Set a timeline
- 7 Understand your fiscal responsibility

**The first thing you'll need to determine is what your long-term goals are and then how home ownership fits in with those plans. Here are five questions to ask yourself:**

▪ **What type of home best suits your needs?**

You have several options when purchasing a residential property: a traditional single-family home, a townhouse, a condo, or a multi-family building with two to four units. Each option has its pros and cons, depending on your homeownership goals, so you need to decide which type of property will help you reach those goals.

▪ **What specific features will your ideal home have?**

While it's good to retain some flexibility in this list, you're making perhaps the biggest purchase of your life, and you deserve to have that purchase fit both your needs and wants as closely as possible. Your list should include basic desires, like neighborhood and size, all the way down to smaller details like bathroom layout and a kitchen that comes with trust-worthy appliances.

▪ **How much housing loan do you qualify for?**

Before you start shopping, it's important to get an idea of how much a bank will actually be willing to give you to purchase your first home. You may think you can afford a Rs. 70 lacs home, but bank may think you're only good for Rs. 50 lacs depending on factors like how much other debt you have, your monthly income and how long you've been at your current job.

▪ **How much home can you actually afford?**

On the other hand, sometimes a bank will give you a loan for more house than you really want to pay for. Just like with the purchase of a new car, you'll want to look at the house's total cost, not just the monthly payment. Of course, looking at the monthly payment is also important, along with how much down payment you can afford, how high the property taxes are in your chosen neighborhood, how much insurance will cost, how much you anticipate spending to maintain or improve the house, and how much your closing costs will be.

▪ **Who will help you find a home and guide you through the purchase?**

A real estate agent will help you locate homes that meet your needs and are in your price range, then meet with you to view those homes. Once you've chosen a home to buy, these professionals can assist you in negotiating the entire purchase process, including making an offer, getting a loan, and completing paperwork. A good real estate agent's expertise can protect you from any pitfalls you might encounter during the process.

