

HOW TO DECIDE WHICH HOME TO BUY

Buying a home is a long-term commitment. The home you buy should be affordable, yet offer the size, features and amenities you and your family want.

Affordability

Your monthly payments should be comfortable for you to handle, in relationship to your total obligations, about 28% of gross monthly income. Your house payment and your debts should not exceed 36% of your income, including revolving credit, student loans, and child support.

You should also be in the correct loan for your needs. A fixed rate is more expensive, but offers more protection than an adjustable rate mortgage that can reset to a higher amount, making your monthly payments higher.

Also, consider the monthly operating costs of the home including utilities, HOA fees, landscaping, commuting, and other costs.

Location

Location is about convenience, and you'll pay a premium to be closer to work centers, parks, shopping and transportation. You can buy a smaller home, or you can buy a home in need of updates to get closer to where you need to be.

Think about your commutes to frequent destinations, including jobs, schools, family and friends. To get "more house," you may have to move further away from core city centers.

Features

Make a list of must-have features so you can narrow your home search. A front porch, a two-car garage, hardwood floors, and eat-in kitchen can all add to the enjoyment of your home.

Just as important is how your home is designed. The number of bedrooms and baths should suit your household members, and the layout should suit your lifestyle. If you like to entertain, you should have plenty of dining space and storage for dishes and cookware. If you frequently work at home, you'll need a home office or at least a quiet designated workspace.

Just make sure the home you choose allows room for your family to grow.

Talk to your lender and see what you can qualify to buy, then talk with your real estate professional about the home you have in mind. With professional guidance, you should be able to find and buy the home of your dreams, where you'll be happy for a long time to come.