

MISTAKES FIRST-TIME HOMEBUYERS MAKE

NOT KNOWING YOUR HOUSING BUDGET

Figure out exactly how much you can afford to pay each month in shelter costs. Your total monthly housing costs should not exceed 30% of your monthly take-home pay.

Be sure to include:

- Mortgage payments (include interest and PMI if applicable)
- Property tax
- Homeowner's insurance
- Utilities
- Maintenance costs
- Homeowner association fees

LOOKING OUTSIDE YOUR HOUSING BUDGET

Don't even look at houses that fall beyond your budget. It'll only set you up for disappointment.



PURCHASING BASED ON FUTURE CHANGES

Never base a financial decision on projected future income, but what you can afford now.

TREATING YOUR HOME AS AN INVESTMENT

First-time buyers often anticipate selling their house for a large profit in five or 10 years. Real estate is never a certain investment, and a house should not be purchased with the sole intention of earning a profit.

Horizon Federal Credit Union