

The Dos & Don'ts of Buying Your First Home



Below is our best advice on what to do — and not do — during the home-buying process.

Do This!

- **Do start saving for your down payment** as early as possible.
- **Do consider all the “new” expenses you’ll have as a homeowner** when budgeting, including taxes, utilities, maintenance costs and emergency repairs.
- **Do request a free copy of your credit report** from all three major consumer reporting companies, review them and notify them of inaccuracies.
- **Do start collecting documents you may need for your mortgage application**, like pay stubs and tax documents.
- **Do include all your debts and liabilities on your loan application.** The more accurate you are upfront, the better able we are to qualify you for the right loan and avoid delays later on.
- **Do pay all your debts and credit cards on time.** A history of late or delinquent payments can seriously hurt you when you go to look for a mortgage.
- **Do be aware that we will check your credit at the beginning and end.** We’ll pull a report when we pre-qualify you at the start of the process, and again before the closing. Any changes could impact the terms of your loan.

Don't Do This!

- **Don't make major purchases during the mortgage process.** We know you're anxious to furnish your new home or get that great deal on new appliances, but during the loan process is not the right time. Large deductions from your bank account or changes to your credit card can hold up the process.
- **If possible, don't make any major job changes.** Changes to job status could cause your file to be reconsidered, delaying the process.
- **Don't spend the money you've set aside for closing.** Spending the funds needed for your closing costs can result in delays or even loan denial.
- **Don't shop for more house than you can afford** assuming you'll make more money in the future. Make sure you can afford your house with the salary you have now.
- **Don't close unused credit accounts.** This move could hurt your credit score by changing your used-to-available-credit ratio, showing you are using a larger amount of your available credit.
- **Don't shuffle money around** without a detailed paper trail to answer the lender's questions about large sums appearing or disappearing from your accounts.
- **Don't co-sign on loans, take out new loans or originate credit inquiries.** Co-signing a loan adds to your overall liabilities. This and acquiring/applying for new debt all impacts your credit score, which will inevitably impact your loan.

Call (518) 583-3114 or visit saratoganational.com for more information or to apply.

