

HINTS FOR HOMEBUYERS

Affording A New Home

(NAPSA)—Lower interest rates have helped make buying a home less expensive than in the past. However, it's still important that new home buyers are certain they can afford the new roofs over their heads. Experts offer these tips:

Think Beyond the Mortgage Payment. Other costs to consider include: real estate taxes, hazard (fire, flood) insurance and repairs and maintenance.

"Loan Approval" Does Not Mean "Loan Affordable." Document your monthly expenses and include variables such as utility bills, car repairs and payments, real estate taxes, medical bills, death bills, marital woes, and religious financial obligations.

An Unfurnished House Is Okay. New homeowners often charge items in a rush to furnish their houses. This can lead to high credit card payments, making it more difficult to meet mortgage payments. If you absolutely **MUST** have certain items, consider a second hand store and pay with cash.

Shop Around For Mortgages. If costs are not made clear, ask questions. If the broker is vague, take your business elsewhere.

"Good Credit" Versus "Bad Credit." Ask yourself if this is the best time to buy a house or if you should wait until your credit history looks better. To keep your credit looking good, be sure your



It's a good idea to learn about different types of mortgages before buying a home.

credit report is accurate and pay your bills on time.

Job Security. Ask lenders about unemployment insurance. The insurance typically offers up to twelve months of mortgage payments should you be laid off.

Know Your Mortgage Loan. Your "loan type" may determine if the loan has payment flexibility and/or foreclosure alternatives.

Alternatives to Foreclosure. Organizations such as AmeriDream Solutions (Web site: www.ameridreamsolutions.org) can help you determine alternatives to foreclosure, at no cost. Homeowners can also ask their mortgage company if any of the following foreclosure alternatives are possible: Simple repayment plan, moratorium, loan modification, loan extension, partial claim advance, short sale or deed-in-lieu of foreclosure.