



## **Sunday Column**

**By Cher Miculka, 2021 Chairman**

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### **Buying a home in the next year? Use this 12 Month Guide**

The decision to buy a home can be stressful. This twelve-month step-by-step guide will help you on your path to homeownership and allow you to forgo some of the common mistakes first-time homeowners make.

#### **A Year Out**

Knowing your credit score is one of the first steps you should take in the process of becoming a homeowner. Thoroughly reviewing your credit report can help you uncover errors which can be corrected and help you to get a lower rate.

Next you need to determine how much you can afford and then how much you actually want to spend. Take a hard look at your finances and determine the amount of money you are comfortable spending each month on your mortgage.

Make a plan for your down payment. Different loan types have different options so consider this when saving up.

#### **9 Months Out**

Do you want a pool? Open concept floor plan? Nine months out is the time to think long and hard about the features you must have in a home. More importantly it is also the time to think about the things that you are willing to compromise on.

Now it's time to start thinking about what part of town you want to live in; close to family, short commute, or maybe proximity to nightlife. Once you've figured out your target area use SABOR's property search website [sabor.com](http://sabor.com) to look at homes in that area and get a feel for the cost of living there.

Additionally, start budgeting for home buying related expenses, like home inspections, home owners insurance, and title search. Calculating these costs now can help you avoid any surprises when you're further along in the home buying process.

#### **6 Months Out**

Start collecting the necessary paperwork for your mortgage loans. Lenders typically need a few years' worth of W-2 forms, your tax returns, pay stubs, financial statements, and any addresses you've been at for the last 5 years. It can be a lot to collect in a hurry so start now and be prepared.

Now is the time to do your homework on lenders and REALTORS®. Start researching buyer's agents, interview a few and see which one will fit your communication style and needs best.

### **3 Months Out**

After finding the right lender for you, it's time to get pre-approved for your home loan. Make an appointment with your lender to find out how much you can afford to spend on your new home.

Next, it's time to start looking at potential homes. With your pre-approval letter in hand your REALTOR® can start showing you homes that are in your price range and meet your specifications.

### **2 Months Out**

You've found a home that meets your needs, now it's time to make an offer!

Once your offer is accepted, your next step is to get a home inspection. If your inspection finds some issues that need to be taken care of remember that your REALTOR® can negotiate with the sellers to have repairs made.

### **The Last Month**

As your closing date approaches make sure to double check that all of your financial documents are in order and review your lending documents.

Before closing make sure to purchase home owners insurance on your new home. On closing day you will need to provide proof of insurance, so be sure to have this document available. Your REALTOR® will get with you a few days before your closing date to do a final walk through of the property. This step is to ensure that the home is in the condition that you and the seller have agreed to.

Your last step is to be sure to have the necessary funds for closing costs. Typically a cashier's check or wire transfer is needed to complete this step.

For information on buying, selling, or leasing your home visit [SABOR.com](http://SABOR.com) and use a San Antonio area REALTOR®.

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