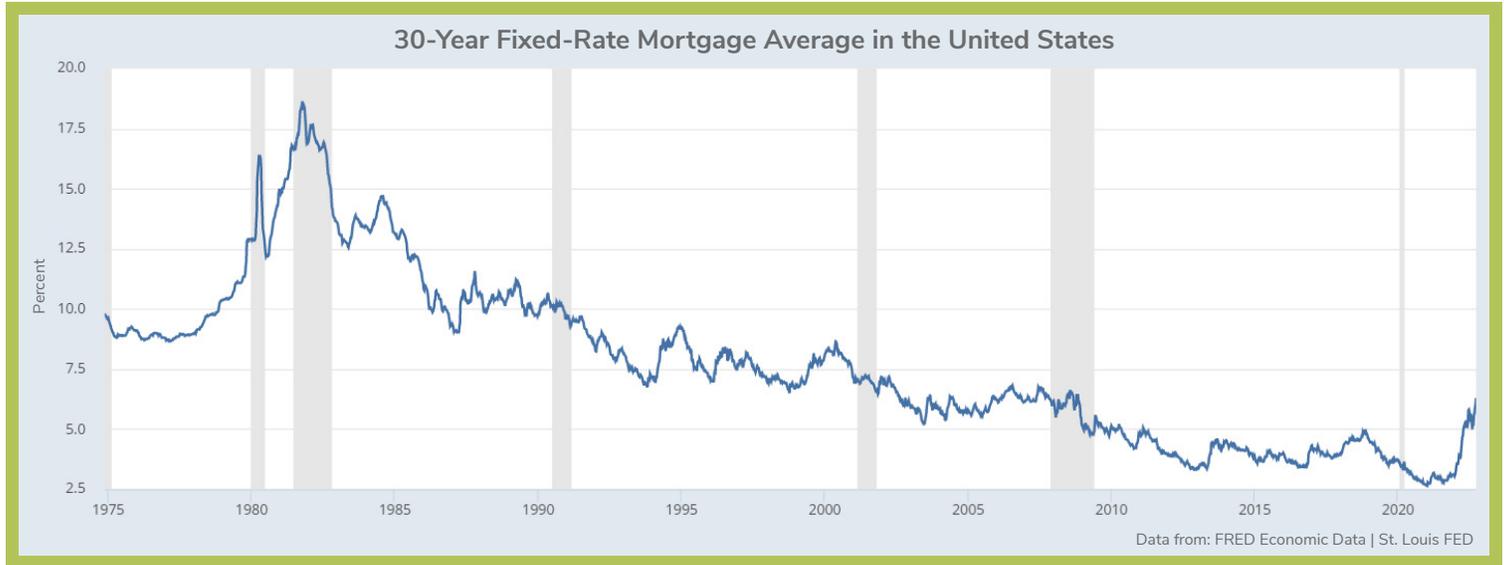


# The Right Time to Mortgage?

## Different Factors to Consider Before Buying a Home



Even though interest rates continue to rise, it is important to keep in mind that mortgage rates are still at historically low levels. And, while it is important, the mortgage rate is not the only factor consumers are considering when thinking about applying for a mortgage and buying a home. In fact, Fannie Mae's National Housing Survey reports that more than 60% of renters say they would purchase a home if their lease ended. The list below includes other considerations to think about before you buy.

### Budget for Housing-Related Expenses

Prepare for all the costs that come with home ownership by including the other non-mortgage monthly expenses in your budget. Research and estimate the potential property taxes, home insurance, utilities, maintenance, renovations, and more when putting a budget together.

### The Debt-to-Income Ratio

The Federal Housing Administration suggests the ideal debt-to-income ratio is 43% – meaning all monthly expenses in your budget should not exceed 43% of your monthly income. It's important to remember: only buy what you can afford and avoid overextending your budget.

### Down Payments

For potential home buyers, saving for the lump sum of the down payment is one of the hardest obstacles to overcome. Do your research to see if you qualify for any down payment assistance or loans. For some buyers, you may not need the typical 20% down payment to purchase a home.

### Job Security

Becoming unemployed is one of the worst possibilities that could happen after buying a home. It adds a great deal of stress to what should be an exciting new chapter in your life. Make sure you are secure in your job position before making the 30-year financial commitment.

### Supply and Demand

Confirm that your desired living location has homes available and in your price range. If the local market has more listings than buyers, sellers may be more willing to negotiate. Don't be tempted to waive necessary contingencies like home inspections and appraisals.

### Home Ownership Readiness

Being a homeowner is not for everyone, and it comes along with additional responsibilities. Prepare to start maintaining your lawn, fixing the refrigerator if it breaks, and more when you own a home. If you plan to relocate in the near future, it may be best to wait and purchase after you move.