

## The Top 7 Buyer's Tips



Buying a new home, whether it's your first time or your fifth, can be a daunting experience. It pays to have a plan before beforehand. Here are the top 7 things a potential buyer needs to do before buying a new home:

**Tip 1: Check out the real estate climate.** It's best to do this before

you even start looking for a new home. The best person to ask about the climate is a local real estate agent. This will help determine if the market will be in your favour for buying a home.

**Tip 2: Figure out the cost of owning a home.** When considering what a new house will cost you each month, you will not only need to consider a mortgage, but also all the costs associated with owning a home (such as insurance, taxes and city utilities).

**Tip 3: Figure out what you can afford to pay for housing costs.** Start by taking your income into consideration, and use a [mortgage calculator](#) to figure out what your monthly mortgage payment would be. Once you have that number, you will need to add property taxes, home owner's insurance and city utilities (such as water and garbage collection). A good rule of thumb is that your total housing costs should not be more than 28% of your monthly income.

**Tip 4: Choose your area.** When buying a new home, you are also buying into the neighbourhood it is in. Choose a neighbourhood that reflects your needs: commuting time to work, whether there are schools in the area, or whether the amenities are nearby, for example.

**Tip 5: Check the prices of homes for sale in your chosen area.** Do these prices fit with what you can afford?

**Tip 6: Find the right mortgage.** Since a mortgage will be with you for a very long time, you will need to choose one that suits your financial needs. When looking at mortgages, take into consideration the amortisation period, and the interest rate. Does it fit into your budget and your long-term financial goals?

**Tip 7: Find the right lender.** You will probably be with your mortgage lender for a long time. As such, it's a good idea to choose a reputable lender that will work with you to cultivate a successful long term relationship.

Buying a new home can be a daunting experience, but by making a plan using these 7 tips, your home-buying experience will be much easier.