

Homebuying Checklist

Our homebuying checklist will help you familiarize yourself with the steps in buying a home and track your progress as you work through them.

1. Estimate What You Can Spend on a Home

Sizing up your finances early can prepare you to find the best home loan. Use a few standard guidelines to gauge your homebuying power:

- ☐ Estimate two and a half times annual income.
- ☐ Calculate 28% of before-tax income for monthly housing debt (mortgage payments, property taxes, insurance and any maintenance costs for a co-op or condominium).
- ☐ Determine how much money you've saved for a down payment and closing costs.
- ☐ Get a rough estimate of how much you can afford now with our [How Much Can I Borrow? Calculator](#).
- ☐ Start gathering relevant financial papers needed for your application and be one step ahead of the game. (Our [Mortgage Checklist](#) can help.)

2. Get Pre-Approved

A pre-approval is a letter from a lender to give homebuyers a specific loan amount and loan type. You can get pre-approved before or after you have found a home to buy. However, many buyers find that they have increased negotiating clout if they are already pre-approved when they conduct their home search.

- ☐ Check your credit report, if needed, to make sure there are no surprises.
- ☐ Apply for pre-approval.

3. Find the Right Home

House hunting can be fun and exciting, but you have to do some homework to find the right home for you.

- ☐ Investigate neighborhoods and schools.
- ☐ Conduct a cost-of-living comparison if planning to buy in a different geographical area.
- ☐ Prioritize desired home features. Get started with our [Wish List](#)
- ☐ Choose a real estate professional.
- ☐ Make an offer and negotiate a final price.
- ☐ Have the home inspected.

4. Close the Purchase

If you've followed the steps above, these final stages of the home purchase should go smoothly:

- ☐ Find the best mortgage for you. There are a variety of mortgages. Talk to your mortgage consultants to find the one that best matches your financial situation.
- ☐ Organize your documents and information before you apply. Follow our [Mortgage Checklist](#).
- ☐ Apply for a mortgage formally to obtain a mortgage commitment letter. For homebuyers with pre-approvals, this will be a formal application.
- ☐ Close the loan. A real estate agent, settlement agent, or attorney generally walks homebuyers through the process of meeting contract contingencies and scheduling settlements.
- ☐ Move in and celebrate!