

# STEPS ON THE PATH TO

# HOME OWNERSHIP

TURN YOUR DREAM  
INTO REALITY



# 1

## SET GOALS

The first step on the path to homeownership is to decide when you want to move into a home of your own. Sit down with your family and develop a realistic plan. Determine what choices you have to make to achieve your goal. Establish the steps you need to take and set up a homeownership timeline.



# 2

## EVALUATE YOUR CREDIT

Request copies of your credit report from the three major credit bureaus – Equifax, Trans Union and Experian. You can receive copies free once a year from [www.annualcreditreport.com](http://www.annualcreditreport.com).

Review your credit reports for accuracy, checking to ensure that the accounts listed belong to you and the balances are correct. You can improve your credit history by paying off outstanding debts and resolving judgments. To maintain a good credit history, make payments to creditors on time and pay at least the minimum amount due.



# 3

## DEVELOP A BUDGET

Start by tracking your daily expenses to see how you spend your money. Evaluate your spending habits and decide where you can cut back on spending. Use this information to develop a spending plan. It is best not to remove every non-essential item in your budget. Most people are more likely to stick to a budget that includes some non-essential things.

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### START SAVING

Determine how much you need to save. You will need about 7-10 percent of the cost of your dream home. This includes the down payment, home inspection, closing costs (loan costs, attorney fees, title insurance, appraisal, etc.), moving expenses, and settling-in costs (utility and phone connection fees, lawn care equipment, appliances, etc.).

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### EXPLORE OPTIONS

Take time to compare mortgage loans from different lenders. Find out if you qualify for down payment or closing cost assistance programs. Before you start shopping for a home, get pre-approved for a mortgage loan and obtain a good faith estimate. To learn more about buying a home, attend a home-buyer education class conducted by a HUD Approved Housing Counseling Agency such as UGA Cooperative Extension.

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### SHOP FOR A HOME

Determine what type of home best meets the needs of you and your family. Think about future life events and look for a home you can afford now and in the future. Before you purchase a home, get it inspected by a professional Home Inspector. Ask questions throughout the buying process and read documents before signing. If in doubt about the contract, seek legal advice.

Don't get discouraged.  
Buying a home takes time.  
It's worth the effort.

For more information, contact  
your local University of Georgia  
Cooperative Extension office.



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