

BY KATHY HAIGHT

You're buying your first home. You have hundreds of questions. We're here to help.

Here are 20 tips that break the process down into manageable parts and give you the information you need.

The advice comes from interviews with Cindy Chandler, a Charlotte real estate consultant and president of the N.C. Association of Realtors; syndicated columnist Ilyce Glink, author of "100 Questions Every First-Time Home Buyer Should Ask"; the book "1,001 Tips for Buying and Selling a Home," by Mark Nash; and the U.S. Department of Housing and Urban Development Web site (www.hud.gov/buying).

20 tips for first-time home buyers

1. KNOW WHAT YOU CAN AFFORD TO SPEND. Factors to consider include: income, other assets, debts, alimony, cost of homeowners insurance, real estate taxes, monthly expenses like credit card debt, and homeowners association fees if applicable. Web sites to help you make calculations include www.bankrate.com, www.eloan.com, www.observerhomes.com and many realty firm sites.

2. CHOOSE A REAL ESTATE AGENT WHO'LL REPRESENT YOU. Pick an agent who agrees to look out solely for the best interests of the buyer, not the seller. Authors Glink and Nash and real estate consultant Chandler all recommend buyers' agents. These are agents who agree to advocate for you, the buyer, even though they may be representing sellers in other transactions. There are also "exclusive" buyers' agents who only represent buyers, never sellers. Whichever you choose, be sure the agent has experience with homes in the price range and neighborhoods you want.

3. GET PRE-QUALIFIED FOR A LOAN. First, get a copy of your credit history (free copies available through www.annualcreditreport.com) and resolve any issues adversely affecting your rating. Then, shop for reputable lenders with advice from your real estate agent. A loan officer will estimate how much of a loan you can afford. That figure is often more than buyers are comfortable spending on monthly housing costs.

4. ONCE PRE-QUALIFIED, DON'T MAKE MAJOR CREDIT PURCHASES UNTIL AFTER YOU HAVE THE KEY TO YOUR NEW HOME. Big purchases made before then can affect your ability to get a loan.



JASON E. MICZEK - SPECIAL TO THE OBSERVER

HOME, SWEET HOME: Marta Cubas' cat Bianca loves lounging in the sitting room of her home in east Mecklenburg County. This is Cubas' first home. She's lived here since May with her sister Monica and three

5. FIND OUT ABOUT HOME-BUYING PROGRAMS. U.S. Department of Housing and Urban Development, for example, has programs to help teachers, firefighters and others buy affordable homes. Federal Housing Administration loan programs offer lower down payments to help first-time buyers. Go to www.hud.gov/buying for details.

Area groups offering home-buying classes include the Urban League of Central Carolinas, (704) 373-2256 or www.urbanleaguecc.org; and the Homeownership Center of Charlotte, (704) 342-0933 or www.hccharlotte.com.

SEE 1

Tips from 10Z

5. MAKE A LIST OF "MUST-HAVES" AND ANOTHER OF "WOULD-LIKE-TO-HAVES" FOR YOUR HOME. A "must-have" might be two bathrooms. "Like-to-haves" could include a deck or extra bedroom. Prioritize both lists and be realistic. "Even Bill Gates didn't get everything he wanted the first time," Glink says. "He had to add on to his house."

7. LOOK AT A VARIETY OF HOMES IN DIFFERENT NEIGHBORHOODS. Don't let any one feature (beautiful woodwork or ugly brown carpet) blind you to a home's other qualities. Carpet can be changed. Woodwork is far from enough to make a house the right one.

8. LOOK AT HOMES YOU LIKE MORE THAN ONCE, AND ON DIFFERENT DAYS OF THE WEEK AND TIMES OF DAY. Drive through the neighborhood to see traffic patterns and walk through to talk to neighbors on the street.

9. ONLY LOOK AT HOMES YOU CAN AFFORD. This reduces the temptation to overextend your budget.

10. BUY THE RIGHT SIZE HOUSE. You'll likely be in your first home for 5-7 years - that's how long it typically takes to break even. Make sure you have enough space for potential family expansion.

11. REALIZE THE NEIGHBORHOOD YOU CHOOSE IS AT LEAST AS IMPORTANT AS THE HOUSE - MAYBE MORE IMPORTANT. Make sure it's a neighborhood you're comfortable in.

12. BE WARY OF NEIGHBORHOODS WITH HIGH FORECLOSURE RATES. It's a sign of instability and casts a pall on the area.

13. KEEP A NOTEBOOK OF HOUSES YOU'VE LOOKED AT. For each home, include the marketing sheet, photos you've taken of the house (with agent's permission) and notes you've made on the home's pluses and minuses.

14. THINK ABOUT RESALE VALUE. A house may be attractive to you, but how will it look to future buyers? A backyard pool may scare away families with young kids. A nearby train may sound far less romantic to others.

15. HIRE A REAL ESTATE ATTORNEY. This protects your legal rights and gives you someone to review documents, answer questions and handle closing of the loan and transfer of title.

16. HAVE THE PROPERTY SURVEYED, EVEN IF YOUR LENDER DOESN'T REQUIRE IT. This gives you precise boundary lines and answers questions about whom the fence belongs to and if there's an easement going through your yard.



FOR MORE TIPS on buying your first home, go to: www.hud.gov/buying or www.thinkglink.com.

JASON E. MICZEK - SPECIAL TO THE

GO WITH THE FLOW: Open space reigns in the kitchen, family and dining room of Marta Cubas' 2,900-square-foot home.

17. CAREFULLY REVIEW THE HOME INSPECTION REPORT. The inspector you hire to look at a home's structures and systems gives you a detailed report before you buy. Go over it with your real estate agent and attorney to plan your best negotiating strategy. Realize the seller is obligated to repair a roof leak, for example, but not a hole in the carpet.

18. REALIZE THE COST OF HOMEOWNERSHIP IS MORE THAN A MORTGAGE PAYMENT. Factor in other costs such as taxes, insurance and utilities. Homes with wood siding are more maintenance-intensive than brick. Appliances that aren't energy efficient cost more to operate.

19. HAVE YOUR AGENT PREPARE A PRE-CLOSING STATEMENT WITH ESTIMATES OF SETTLEMENT COSTS. This helps you know what to expect at closing.

20. FIND OUT IN ADVANCE OF CLOSING WHEN YOU'LL BE ABLE TO TAKE POSSESSION OF THE HOUSE. Realize that date is subject to change and have a contingency plan if you can't move in when expected.

ON THE COVER

Pictured is Marta Cubas' first house in east Mecklenburg's Berkshire neighborhood. The retired medical technologist paid \$185,000 for the two-story, four-bedroom home. Photos by Jason E. Miczek - Special to the Observer.

Tips from First-Time Home Buyers

Ask if the seller will pay some or all of the closing costs. Christian Hine of Fort Mill did this and was able to pay less out of pocket at closing and make a larger down payment.

Make sure all electrical outlets are checked during your home inspection, says Denise Fleming-Bivens of Charlotte. The inspector she and her husband hired checked outlets but overlooked some - they may have been hidden behind furniture. Four outlets had to be repaired after they moved in.