

With the great freedom of owning your own home comes great responsibilities. You must manage your finances to have funds available to make timely mortgage payments and maintain your home's condition well enough to help protect your investment.

monthly payments

Make monthly payments on time. Late payments can incur additional fees, can impact your credit score and cause you to default under the loan. Also, be aware that your monthly payments will most likely change, often getting higher each year you live in your home, due to

- Changes to property taxes and homeowner insurance premiums
- Homeowners Association (HOA) fee changes (if applicable)

ongoing maintenance

Set aside savings to help with ongoing maintenance costs of owning a home. There will be periodic maintenance (such as changing furnace filters, air duct cleaning, etc.) and unexpected expenses (such as sewer line blockage, water heater replacement, etc.)

home warranty

A home warranty is a service contract that generally covers the repair or replacement of important appliances and systems components in a home that break down over time. During the homebuying process, you may be offered a home warranty from either the seller, builder, or real estate broker, or you can purchase a home warranty on your own. Because each warranty plan may be different, before you decide whether to obtain it, you should read the policy and be aware of what the warranty covers, the process to have the warranty repair or replace certain items, etc.

Regardless of having a home warranty—and especially if you don't have one—make sure to have savings available at any given time to cover the expenses of maintenance and necessary repairs final affidavits and authorizations.

adjust your budget as needed

It is likely that your spending and savings goals may change once you become a homeowner. Review your budget occasionally and update for new/different expenses and savings goals if needed.

don't go "credit crazy"

As a new homeowner, you will get many offers for credit, be it store credit or credit cards. It may be tempting to outfit your new home with new furniture or electronics, but remember to stay within your budget and give yourself time to adjust to the expenses of homeownership and rebuild your savings. Also, by waiting, you may get a better feel for your space and the layouts you want in each room.

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CHFA Home Finance

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