

# Get \$SMART Wausau

## C O A L I T I O N

*"Educating people to make smart money choices."*

**Q** I'm thinking about buying a home. What should I look for when shopping for a mortgage loan?

**A** Buying a home can be both exciting and stressful. Following these tips can make the process easier.

**Do your research.** Attend a home buyer education class to learn about the home buying process and to understand the language loan officers use with mortgage transactions. If you feel you need more in depth counseling, contact a credit counselor who can determine if you are eligible for down payment and closing cost assistance, and who will help you understand if you are ready to buy a home.

**Work with a reputable lender.** Your mortgage should be offered by a trusted loan officer from a reputable financial institution. Visit [www.WHEDA.com](http://www.WHEDA.com) for a list of trusted, reputable banks and lending institutions that work with first-time home buyers.

**Select a mortgage that is affordable.** By knowing your monthly income and expenses, a trusted loan officer can help you choose a mortgage with a down payment and a monthly house payment that you can afford long term.

**Choose a fixed interest rate mortgage.** A fixed rate mortgage insures that your interest rate always stays the same. Fixed-rate loans give you stable, predictable house payments for the duration of your mortgage. You can choose repayment terms of 15, 20 or 30 years; the longer the term, the lower your monthly mortgage payment.

**Understand all fees associated with your mortgage.** Ask if the loan has a prepayment penalty. Make sure you understand exactly how much you are being charged for the loan and what each fee covers. Ask lots of questions and if you are not getting straight answers, take your business elsewhere.

Home buyer education is the first step towards buying a home. If you want to save money, obtain an affordable mortgage and become a successful homeowner, home buyer education will give you the knowledge to make smart choices when it comes to your mortgage financing.

Visit [www.getsmartwausau.org](http://www.getsmartwausau.org) for information on free or low-cost local programs to help you make smart money choices.