



**Your Dream,
Your Family,
Your Home.**



STEPS TO HOMEOWNERSHIP

- 1 Take a First Time Homebuyers Class.** This is an 8-hour class that covers all the steps to buying your first home. The better informed you are as a buyer, the better decisions you will make throughout your home buying process.
- 2 Meet with a Homebuyer Counselor.** A homebuyer counselor will analysis your individual buying readiness, determine affordability factors, identify mortgage options and provide you with additional resources.
- 3 Evaluate your finances.** How much do you have for down payment, closing cost, etc.? Review your credit report, credit score and determine how much you are willing to spend on a mortgage payment each month. You will need to get a credit score above 680 to get the best rates.
- 4 Get a pre-approval for a mortgage loan.** This is where the lender reviews your finances and tells you how much they are willing to lend you. Remember to stay within what your are willing to pay for a monthly mortgage payment.
- 5 Know your housing priorities:** Determine what type of house meets your family needs and develop a list of expectations you have for your new home. Such as type of home, location, number of bedrooms and bathrooms.
- 6 Hire a real estate agent.** This is optional but recommended for First Time Homebuyers. Find an experienced agent who works primarily in the area you are interested in and who has access to MLS.
- 7 Start your housing search.** Your agent will help you locate suitable homes, but you should do your own searching as well. Save time by screening homes online first and be sure to use a checklist to note important features of the house.
- 8 Make an offer.** Before you make an offer, it is good to know what are the taxes and insurance for this property and what are similar properties selling for in the neighborhood. Also be sure to include any contingencies with your offer, such as a successful home inspection.
- 9 Purchase & Sales Agreement** This is the final binding agreement between the buyer and the seller. This includes, the purchase price, amount of earnest deposit, closing date, mortgage commitment and home inspection deadlines and the legal description of the property.
- 10 Secure your financing.** It is good to be prepared before you meet with your loan officer. Your loan officer will process a loan application and a loan processor will verify your income and assets. A Good Faith Estimate report will provide you with an itemize list of the cost associated with the loan.
- 11 Get a home inspection.** Knowing the exact condition of the house you want to buy can help you make an informed decision about the home's value and can save thousands of dollars in unexpected repairs.
- 12 The closing.** This is the final stages of your home buying process. The ownership for the property is transferred from the Seller to the Buyer. You would need to do a final walk through of the property, secure hazard insurance and schedule the transfer of utilities in time for your closing date.

The City of Lawrence offers down payment assistance to income eligible first-time homebuyers purchasing homes in Lawrence. Please call for more information

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