




**CONSUMER
CREDIT & BUDGET
COUNSELING**



**Homeownership
Counseling**



**CONSUMER
CREDIT & BUDGET
COUNSELING**

Is a non-profit consumer counseling agency, licensed by the State of New Jersey Department of Banking to provide consumer education and financial counseling, and if appropriate, the consolidation of consumer debt.




**CONSUMER
CREDIT & BUDGET
COUNSELING**

Is also a HUD approved Housing Counseling Agency providing housing counseling to new homebuyers

- Overview**
- Purchasing a Home
 - Shopping for a Home
 - Money Management

- Purchasing your Home**
- The Home Buying Decision
 - Benefits of Owning a Home
 - Do I really want to own a home?
 - Understanding the Homeownership Process.

- 
- Shopping for a Home**
- What do you want?
 - Finding the "RIGHT" House
 - Evaluating a home
 - Negotiating the purchase
 - Submitting the offer
 - Terms of the contract

- Money Management,
as it relates to homeownership**
- Can you afford to buy?
 - What is the lender looking for?
 - Available cash
 - Income
 - Your debt situation
 - Is it excessive?
 - % of indebtedness
 - debt-to-income ratio

- Money Management,
as it relates to homeownership**
- Your Credit History
 - Establishing a sound credit record
 - Non-traditional credit history
 - Credit Report errors
 - Budgeting for Homeownership
 - Tracking spending habits
 - Trimming spending habits

- Income and Affordability**
- What can you afford (the 2.5 Rule)?
 - Length of employment
 - Stability of income
 - From employment
 - From sources other than employment
 - Affordability

The Mortgage Process

- What is a mortgage?
- Types of mortgages
- Who offers mortgages?
- Mortgage options
- What to bring to the loan interview
- Mortgage Insurance
- Roadblocks

Down Payment and Closing Costs

- Direct Purchase
- Lease/Purchase option
- Down Payment percentages
- Closing Costs

Closing – The Big Day

- Preparing for the closing
- Walk-through Inspection
- Requirements for closing
- Closing documents
- Moving in

Life as a Homeowner

- Responsibilities
- Homeowners Insurance
- Financial benefits
- Meeting your obligations as a borrower
- Avoid foreclosure
- Equity building
- Basic home maintenance/Caring for your home

PointeCast Quiz or Survey Object

To change, go to the "Edit Quiz or Survey..." item on the PointeCast menu:



Purchasing Your Home



Planning for Homeownership

What is a Home?

- Shelter
- Investment
- Realization of the American Dream
- "Where the heart is"

The Home Buying Decision

- Do I really want to own a home?
- Can I afford to buy a home?

Financial benefits of homeownership

- A major source of savings
- Substantial tax
- Other benefits of owning a home
 - Generally provides more space
 - Establish "roots" in the community
 - Independence and Privacy

Disadvantages of homeownership

- Costs are greater
- Down payment and closing costs
- Property taxes, insurance, utilities, maintenance
- Long-term financial commitment
- Equity builds slowly (appreciation)
- Risk of foreclosure
- Lose value if not properly maintained
- Maintenance is YOUR responsibility
- Takes time, energy and money
- More difficult to move

Are you ready for homeownership?

1. Are you sure you want to buy a house?
2. Do you have a steady income and stable employment?
3. Do you anticipate remaining in the same geographic location for the next couple of years?
4. Have you created a budget so that you know how much more you can realistically afford to pay for housing?
5. Do you have an established credit record?

Are you ready for homeownership?

6. Do you have enough money saved up for a down payment and closing costs?
7. Have you been "pre-qualified" by a lender so that you know how much you can borrow based on your income and existing debt?
8. Is your existing debt low enough that it will not limit your ability to qualify for a mortgage?
9. Have you looked into the benefits and requirements of the many mortgage products that are now available to low- and moderate-income home buyers?

The benefits and costs of renting

- Costs less to rent than to own
- Security deposit vs. closing costs
- Renters have other investment alternatives
- Mobility
- Landlord responsible for repairs and maintenance

Do You Really Want to Buy?

Advantages of Renting Disadvantages of Renting

- Usually cost less than buying
- You can usually move more easily
- Little responsibility for maintenance
- No responsibility for repairs
- No tax benefit
- No investment in or from the property
- No equity is building
- Rent payment can increase frequently
- Possibility of eviction

Do You Really Want to Buy?

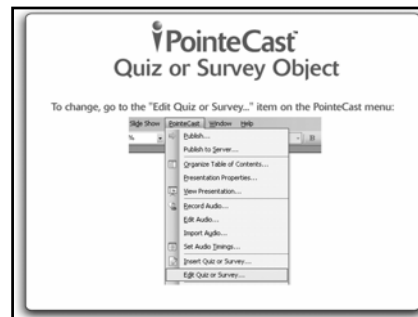
Advantages of Buying

- Greater stability
- Usually good investment
- Your equity builds
- First home often leads to better home
- Greater individuality in décor
- Greater choice in space arrangement
- Greater sense of security
- Often fulfills the American Dream

Do You Really Want to Buy?

Disadvantages of Buying

- You are responsible for property taxes
- You are responsible for maintenance
- You are responsible for repairs
- Possibility of foreclosure
- In foreclosure, loss of all equity
- Monthly housing usually costs more
- Your cash is tied up
- You can't usually sell a home quickly
- Payment on some mortgage types can increase



Shopping For a Home



Deciding What You Want

- Needs versus Wants
- Type
- Size Requirements
- Location / Neighborhood
- Transportation availability
- Convenience to Shopping
- School Location
- New versus Older Home
- Special Features
 - Garage
 - Wheelchair Accessibility
 - Porch

Types of Homes

- Traditional Single-Family detached unit
- Special Types of Homes
 - Condominiums
 - Townhouse
 - Cooperatives
 - Planned Unit Developments
 - Two to Four Unit Properties
 - Manufactured Housing

Finding the Right Home Sources of Leads

- Word of Mouth
- “For Sale” signs
- Newspaper ads
- Shoppers’ Guides
- The Internet
- Bank Owned Properties

Finding the Right Home How Real Estate Sales Professionals Can Help

- Referrals
- Properties which are in the area you are interested
- Multi Listing Service (MLS)
- Costs to Buyer

Finding the Right Home Comparison Shopping

- Keeping Records
- What to look for
- The neighborhood
- Physical details
- Construction details
- Major systems
- Financing
- Narrowing the field

Evaluating a House The Exterior

- **Characteristics**
- **Lot Evaluation**

Evaluating a House The Interior

- Living Space
- Circulation
- Storage Space
- Kitchen arrangements
- Bathrooms
- Mechanical Systems
- The “Healthy House”

Negotiating The Purchase

Deciding How Much to Offer

- Market Value of the Home
- Condition of the home
- Circumstances surrounding the sale
- What can you afford?
- Financing terms

Submitting The Offer

- Earnest Money
 - What the offer includes
 - Legal Description
 - Amount of Earnest Money
 - Price being offered
 - Size of Down payment
- Personal property that will stay
- Proposed closing date and occupancy date
 - Length of time offer is valid
 - Satisfaction of contingencies

Terms of the Contract

- Financing Contingency
- Inspection Contingency
 - Professional Home Inspection
 - Termites
- Environmental hazards to investigate
 - Radon
 - Lead based paint
 - Asbestos / Formaldehyde
- Appraisal Contingency
- Other Provisions
 - Repair Work
 - Personal Property
 - Closing and Occupancy dates
 - Clear Title

Negotiating the Final Purchase The Home Inspection

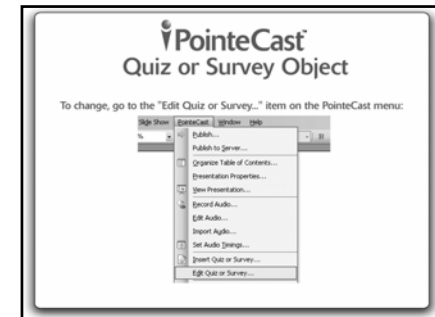
- Yellow Pages Under “Building Inspection Services”
- Expect to Pay \$150 - \$200

Negotiating the Final Purchase An Energy Audit

- Measures to reduce energy bills
- Efficiency of heating and cooling systems
- Location of water leaks
- Levels of Insulations

Negotiating the Final Purchase Home Energy Rating System

- Expected Energy Performance
- Estimated Annual Energy Use
- Score Between 0 – 100
 - The higher the Better



Money Management

A Guide to Credit



- What is credit?
- The purpose and function of Credit Bureaus
- How to obtain and check your Credit Report
- Consumer protection under the Fair Credit Reporting Act
- The importance of a good credit history

How to solve credit problems

- There is no such thing as a “quick fix”
- Use your Credit Report
- Collections and judgments
- Late payments
- Credit Counseling

Making a Budget

- Step 1 - Setting goals
 - Set realistic goals
 - Short range goals
 - Long range goals
- Step 2 - Estimating Income
- Step 3 - Analyzing recent spending, including debt repayment and savings

Making a Budget

Step 4 - Planning future spending: Creating a Budget

- PYF (pay yourself first)
- Keys to successful budgeting
- Involve the entire family
- Develop your own spending plan
- Prioritize your family's goals
- Plan ahead for the whole year
- Include ALL of your income and expenses in your Budget
- Keep good records
- It's important that you track and record every penny spent
- Reserve to cover home maintenance
- Pay yourself first, by developing a personal savings plan
- If you fail to stick to your budget, don't give up
- Review your plan once a month

Making a Budget

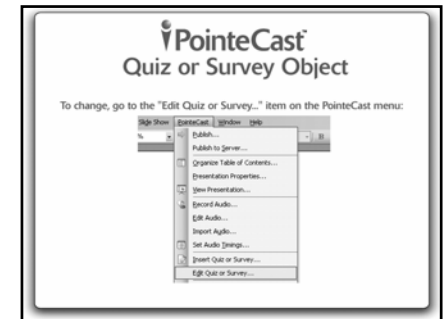
- Step 5 Record Keeping
- Step 6 Analyzing spending records and making adjustments (actual vs. estimated)

Planning for the ongoing Affordability of Homeownership

- Saving and investing for the estimated one-time costs of buying a house
 - Down payment, closing costs, and moving and settling in costs
 - Current savings situation
- Estimating realistic ownership, operating and maintenance costs
 - Monthly and annual ownership costs
- Plan for the annual responsibilities of homeownership
 - Adjustment for escrow account
 - Record-keeping, for taxes
- Budgeting for home-operating costs
 - PITI payment
 - Utilities

Planning for the ongoing Affordability of Homeownership

- Budgeting for home maintenance and repairs
 - Routine maintenance
 - Interior
 - Exterior
 - Systems
- Accepting limitations and making decisions you can afford



Income

Income

- Length of Employment
- Stability of Income

Income Sources From Employment

- Wages and salaries
- Hourly wages
- Overtime pay
- Bonuses
- Commissions
- Part-time income
- Seasonal income
- Self-employment
- Tip income

Income Sources other than Employment

- Retirement income
- Alimony/child support
- Social Security Benefits (SSI)
- Public Assistance
- Food stamps
- Unemployment compensation
- Off-the-book income
- Grossing up income

Affordability

How much can you afford?

Standard Rule-of-Thumb The 2.5% Rule

Gross Yearly Income	Highest Possible Cost of Home
• \$20,000)	\$50,000
• \$30,000)	\$75,000
• \$40,000) X	\$100,000
• \$50,000) 2.5	\$125,000
• \$60,000) =	\$150,000
• A Million Bucks)	\$2,500,000

Lenders use more precise measurements:

Underwriting Guidelines

- Funds available for down payment
 - Loan-to-value ratio
- Income available for housing costs
 - Qualifying ratios (e.g., 28/36 ratio)
 - Housing costs (PITI)-to-income ratio (<28%)
 - Total debt-to-income ratio (<36%)

The Costs of Home Ownership

Up-Front Costs

- Down payment
- Points (may be charged as an origination fee)
- Closing costs (fees and other payments - 3-6%)
- Moving and settling-in costs

The Costs of Home Ownership

Monthly Costs

- Monthly mortgage payment
 - Principal and interest (P&I)
 - Taxes and Insurance (T&I)

Principal and Interest

Loan Amount	Interest Rate	Term	P&I Payment
\$55,000	6%	15 Years	\$464
\$55,000	6%	30 Years	\$330
\$55,000	8%	15 Years	\$525
\$55,000	8%	30 Years	\$403

Other Monthly Costs

- Taxes and Insurance
 - Escrow account
- Operating and Maintenance Costs
 - Heating and Cooling
 - Electricity
 - Repairs and Maintenance

Summary

- Buying home is a major financial investment
- Major financial obligation over a long period of time
- Important to take a look at your total financial picture
 - Available cash
 - Income
 - Debt
 - Monthly housing expenses
 - other monthly expenses

Summary

- Because a mortgage is a large debt, lenders look very carefully
 - At existing debt
 - At your history of paying creditors
- Although past credit problems will not necessarily prevent you from owning a home, they do represent major bumps in the road

End of First Half of Homeownership Presentation

Please Proceed to Second Half



Homeownership Counseling

The Mortgage Process



Types of Mortgages

- Fixed Rate Mortgage
- ARM – Adjustable Rate Mortgage
- Conventional
- FHA

How Mortgages Work

The structure of mortgages

- Simply a big loan
- Loans are amortized
- The principal
- Loan term interest

The Documents

- **The Loan Application**
- **The Mortgage**
- **The Promissory Note**

The Note

- Identifies the borrower as the person signing the note
- Identifies the lender, by name
- Always contains clause stating borrower's *promise* to repay the principal, plus interest
- Sets out the principal amount, rate of interest, and term of the note
- When and where payments are to be made
- The amount of each payment

The Note

- Indicates that the note is secured by a "security instrument" (mortgage).
 - The security instrument protects the lender's legal interest in the property, should it be foreclosed
- Right to prepay the debt
- Penalty if the borrower fails to make payment
- By signing the note, the borrower accepts and agrees to the terms and conditions contained in the note.

The Mortgage

- Application of payments
- Fire, flood, and other hazard insurance requirements
- Condemnation
- Occupancy, preservation, maintenance and protection of the property

The Mortgage

- Fees
- Grounds of acceleration of the debt
- Reinstatement information
- Foreclosure procedures

Loan Sources

- Savings and Thrift Institutions
- Commercial Banks
- Mortgage Companies
- Mortgage Brokers
- Credit Unions
- State and Federal Savings Banks
- Finance Companies

Types of Mortgages

- Conventional mortgages
 - LTV
 - PMI
 - Role of secondary market
 - Mortgage Backed Securities (e.g., FNMA)
- Community Home Buyer's Program
 - Low- and moderate-income families
 - More flexible underwriting guidelines
 - Non-traditional credit history

Types of Mortgages

- Federal Housing Administration (FHA)
 - Insures lenders against default by borrowers
 - Both fixed and adjustable rate
 - Require PMI
 - Provide financing with small initial investment
- Veterans Administration (VA)
 - Guarantees mortgages for veterans
 - Offers one of the best financing options available

Mortgage Comparison Terms

- Interest rate
- Interest rate lock-ins
- Origination fee
- Application fee
- Points
- Annual Percentage Rate (APR)
- Eligibility Criteria
 - Income
 - Assets
 - Credit history
 - Non-traditional methods
- Qualifying ratios
- Closing cost estimates
- Adjustable Rate Mortgages
 - Initial interest rate
 - Adjustment interval
 - Financial index and margin
 - Payment caps

Applying for a Mortgage

- First step in getting a loan is to fill out the loan application form
- Section I & II - - Completed by Loan Rep
 - Section III - - Borrower Information
 - Section IV - - Employment Information
 - Section V - - Monthly Income and Combined Housing Expense Information

Applying for a Mortgage

- Section VI - - Assets and Liabilities
- Section VII - - Details of Transaction
- Section VIII - - Declarations
- Section IX - - Acknowledgment and Agreement
- Section X - - Information for Government Monitoring Purposes
- Signatures

Documentation

- Sales contract
- Pay stubs for the past 2-3 months
- 12 months cancelled rent checks
- Information on long term debts
- Recent bank statements - - 3 Months.
- W-2 Forms for the past 2 years
- Signed copies of Federal tax returns for the past 2 years
- Proof of other income
- Address and description of the property you want to buy

Loan Processing - - The Approval Process

- Verification
 - Employment and salary
 - Other assets
 - Credit History
 - The Property
- The Wait - -“No News is Good News”
- The Commitment Letter

Dealing with Rejection

- Poor credit history
- Low appraisal
- Insufficient income or assets



Lender Responsibilities

- Equal Credit Opportunity Act
- Fair Credit Reporting Act
- Real Estate Settlement Procedures Act (RESPA)
- Truth-in-Lending Statement (Regulation Z)

Homebuyers & Homeowners: Beware Before You Borrow!

What You Need to Know About Predatory Lending

Predatory Lending

- Predatory Lenders are unscrupulous lenders who take advantage of you, the borrower, and make loans that you cannot afford. They may charge very high interest rates or fees, hide costs, or lie about loan terms
- Recognize and avoid predatory lending practices before and after you purchase your home
- Be a smart consumer
- **AVOID PREDATORY LENDING**

Protect your American Dream

Unfortunately for homeowners, predatory lenders are on the prowl, targeting unsuspecting consumers, often forcing them into high cost loans that could lead to foreclosure.

Protect your American Dream

- In order to protect your dream, there are some important things you need to know, whether you are:
 - Buying a house for the first time
 - Refinancing your mortgage
 - Making improvements or repairs to your home

What are some common predatory lending practices?

- **Padding:** Charging borrowers high loan fees, points or other charges upfront
- **Packing:** Selling borrowers costly and unnecessary insurance policies upfront
- **Charging outrageous prepayment penalties**

What are some common predatory lending practices?

- **Balloon Payments:** Forcing borrowers to make a large payment midway or at the end of the loan
- **Charging high interest rates**
- **Flipping:** Repeatedly refinancing loans

What are some common predatory lending practices?

- Using home improvement scams to lure borrowers into bad loans
- Knowingly lending to people who can't afford to make the loan payments
- Loans in excess of 100% LTV
- Shifting unsecured debt into mortgages
- Falsifying loan applications (particularly regarding income level)

Who do Predatory Lenders Target?

- Minorities
- Seniors
- Low Income Groups

How to protect yourself: Important Do's and Don'ts for Homebuyers and Homeowners

- **Don't** deal with telephone solicitors
- **Don't** use a lender or contractor who will not provide a written contract, specifying all costs
- **Don't** sign any forms or papers with blank lines or spaces

- **Don't** allow yourself to be pressured into signing anything
- **Don't** believe anyone who says you have no other options
- **Don't** accept a promise that isn't in writing

- **Do** shop around for the best offer
- **Do** ask the contractor for references
- **Do** keep careful records, and get copies of everything, making sure the lender signs and dates all papers

- **Do** read all documents carefully, and pay special attention to interest rates, fees, points, and terms and conditions of the loan. If you do not understand something, ask for an explanation - - you are paying for these services

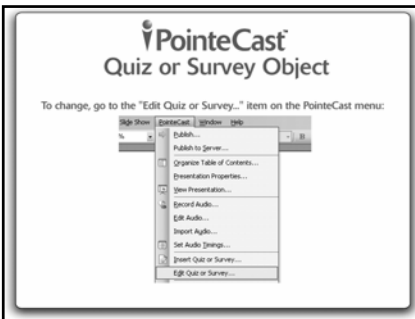
- **Do** ask the lender for a "Notice of Rescission", also known as a "Notice of Right to Cancel" (within 3 days)
- **Do ask if you qualify for a less expensive loan, before accepting a subprime mortgage product**

- **Do** be aware of offers of debt consolidation. If lenders offer to pay off your credit cards or medical bills with a home equity loan, **you can lose your home**, if you don't make payments

- **Do** make sure you can afford to repay your loan. Even if the lender says you qualify, this doesn't mean you can afford the monthly payments

- **Do** make sure that your contractor gives you a start date and an expected completion date, in writing
- **Do** get pre-loan counseling

Always Remember:
If the deal sounds too good to be true, it probably is!



Down Payment and Closing Costs



Down Payment + Mortgage = The Purchase Price

Down Payment

- The buyer makes the down payment
- Minimum down payment required
 - Without mortgage insurance
 - With mortgage insurance
 - How long MI will be required (80% rule)
- Down payment percentages
- Different programs require different down payment amounts

CLOSING COSTS

Types of Closing Costs

- Prepaid
 - Taxes
 - Insurance
 - Interest, etc.
- Standard
 - Mortgage application fee
 - Survey
 - Flood insurance
 - Title search
 - Attorney fee, etc.

Closing Costs

- Related to size of the down payment and the type of financing
- Required by lender at closing - - can vary considerably

Closing costs are generally made up of the following:

- Title search and title examination
- Title insurance
- Settlement or closing fee
- Documentation preparation
- Notary fee
- Attorney's fees

Amounts paid to State and Local Governments

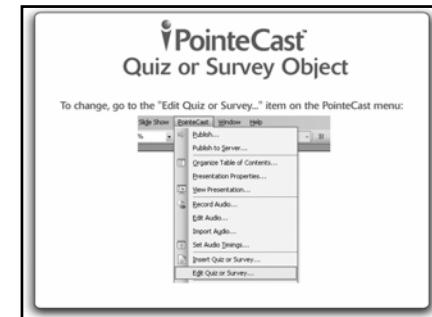
- City, County and State transfer taxes
- Recording fees
- Prepaid Property Taxes

Closing Costs Relating to Obtaining a Mortgage

- Loan origination fee
- Points, or the loan discount fee
- Appraisal fee
- Credit Report fee
- Lender's inspection fee
- Mortgage insurance fee
- Survey fees
- Pest inspections
- Hazard insurance
- Adjustments or pre-payment interest

Do you have money saved for down payment and closing?

- These costs can be expensive
- Mortgage lender will want proof
- Savings account



Closing The Big Day

In This Segment You Will Learn How Real Estate Transactions Are Finalized

- The purpose of the closing
- Where they are held and who attends
- The role of the settlement agent
- The legal requirements
- Title search and title insurance
- Closing statement
- Allocation of closing costs
- The recording of documents

Closing the Real Estate Transaction

What Happens at the Closing?

The Sales Contract

Preparing for the Closing

Pre-Closing Activities

- Selecting a settlement agent for:
 - Reviewing documents and giving advice
 - Attending the closing
 - Conducting the title search
 - Preparing documents
 - The settlement or closing fee, if separate from the above
- Setting Date and Time
- Closing Costs

Final walk-through Inspection

(Within 24 hours before closing)

- Know what each electrical switch is for
- Main shut-off valves for water and gas
- Emergency switch for furnace
- Thermostat for hot water heater
- Location of filters (and how to change)
- Main electric switch
- Fuse box or circuit breaker
- Fire Extinguishers and Smoke Alarms
- Main drain line clean-out located
- Manuals for appliances and major systems
- Home thermostat
- Any warranties
- History of the house

Requirements for the Closing

- Title Search
- Title Insurance
- Survey
- Termite Certification
- Homeowner's Insurance

At The Closing

Signing of various documents and paying the final amount due

- Closing documents
- Settlement Statement (HUD-1)
- Truth-in-lending (TIL) Statement
- The Note
- The Mortgage (the legal document that secures the Note)
- The Deed (legal document that transfers the ownership)

After The Closing

- Recording the documents
- Getting the keys
- Utilities
- Moving In

Closing Costs

Charges for establishing and transferring ownership

- Title search and title examination
- Title insurance
- Settlement or closing fee
- Document preparation, if separate
- Notary fee
- Attorney's fees

Closing Costs

Amounts paid to State and Local Governments

- City, county, and state transfer taxes
- Recording fees
- Prepaid property taxes

Closing Costs

Costs of Obtaining a Mortgage

- Loan origination fee
- Points, or the loan discount fee
- Appraisal fee
- Credit report fee
- Lender's inspection fee (for new construction)
- Mortgage insurance fee
- Survey fees
- Pest inspections
- Hazard insurance
- Adjustment or pre-payment interest

Summary

- The buyer will show evidence of paid insurance
- The closing attorney lists all closing costs, and who is responsible
- The buyer signs the deed of trust and promissory note
- The lender's agent formally "loans" money to the buyer

Summary

- The buyer "pays" seller for the house
- The title passes from seller to buyer, giving ownership to buyer
- Lender's agent collects closing costs owed by buyer
- Buyer is given the Disclosure Statement (TIL) which lists all items you've paid

Life as a Homeowner

Living in and Maintaining your Home

- Making your mortgage payment on time
- Avoiding foreclosure
- Living within a household budget
- Saving ahead for unexpected problems
- Tax breaks
- Home equity
- Maintaining your home
- Being a good neighbor

Settling In

- Streamlining
- Meet the neighbors
- Get to know your new home
- Set up house files

Safety Tips

- Emergency numbers
- Theft protection
- Fire safety
- Store valuables
- Insurance coverage

Planning Ahead for Moving Day

Moving Checklist

A Timetable

3 Months Before You Move

- Contact moving companies
- Inventory your belongings
- Rule of Thumb
 - Sketch floor plan
 - Clothing
 - Important papers
 - Visit your new community

A Timetable

2 Months Before You Move

- Give landlord notice
- Contact the children's new school
- Call family doctor and dentist
- Investigate the community's bank
- Arrange for disconnection of utilities
- Visit your post office (moving cards)
- Set up date for new services

A Timetable

1 Month Before You Move

- Moving company vs. Moving yourself
- Moving company
- Move yourself
 - locate truck
 - contact friends and family, to help
 - obtain boxes
 - begin packing, room by room
- Packing Tips
 - have plenty of boxes
 - save newspapers
 - purchase tape and Magic Markers
 - don't overload boxes
 - label all boxes
- Arrange for landlord to inspect

A Timetable

2 Weeks Before You Move

- Begin clearing cabinets and refrigerators
- Begin assembling essential items

A Timetable

1 Week Before Move

- Pack an emergency Kit
- Load last - - unload first
- Clean and defrost refrigerator and ovens
- Clean you old home
- Be prepared to have your home inspected by your landlord
- Obtain keys and have duplicates made

Pre-closing Walk-Through

Learning About Your New Neighborhood

Safeguard Your Home

- Home security
- Fire protection
- Exits
- Fire extinguishers
- Smoke detectors
- Clutter and other hazards
- Emergency phone numbers

Home Maintenance

Basic Home Information

- Where the heating fuel main shutoff is located
- Where the main electrical shutoff or fuse box is located
- Where the main water shutoff is located
- Where all fire extinguishers and smoke alarms are located
- Where the main drain line cleanout is located

Home Maintenance

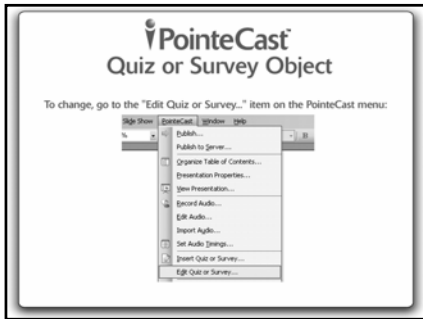
- Cleaning
- Lawn care
- Repairs
- Do-it-yourself vs. using professionals

**Energy Savings Tips
And Improvements**
Energy in the home is used like this:

- Heating and cooling	58%
- Water Heating	18%
- Appliances	12%
- Lighting	8%
- Other	4%

**Considerations For Lowering
Your Operating Costs**

- Heating and cooling
- Heat pumps
- Water heating
- Refrigerator and freezer
- Electric Washing Machines and Dryers
- Lighting
- Other considerations
- Appliances
- Selecting furnishings



Summary

Where Have We Been?

- Purchasing a Home
- Shopping for a Home
- Money Management
- Income and Affordability
- The Mortgage Process
- Down Payment and Closing Costs
- Closing - - The Big Day
- Life as a Homeowner

**Meeting Your
Financial Obligations**

- What to do if you have a problem
- Refinancing your home
- Prepaying your mortgage
- Tapping into your home's equity
- Second Mortgage
- Home Equity Line of Credit

Summary

- Meeting your obligations as a borrower
- Avoid foreclosure
- Financial benefits of homeownership
- Equity building

