



planning

year one: life after the I do's READY TO BUY A HOME?

First comes love, then comes marriage, then comes...the mortgage? Answer these questions to learn whether you're ready to relinquish your rental and (gulp) start talking Tudors and colonials.

12
The average number of homes a buyer looks at before making an offer

Do you fantasize about lawn mowers and Sub-Zeros?

Assuming you answered "yes," let's move on to part two of the question: whether you're ready for the duties that go with those dreams—Saturday mowing marathons, taking time off from work to be home for a repairman to fix your fridge, and the many other responsibilities that come with ownership.



Have you stashed a nice chunk of change? We're talking 10 to 20 percent of a home's purchase price as a down payment. But that's just for starters. "You also should have an emergency fund covering six months' worth of mortgage, insurance, and maintenance costs," says finance guru David Bach, founder of Finishrich.com.

Have you done your homework? Either through a Realtor or at zillow.com, find out the original asking price of pads you fancy; their property-tax history; how long the houses have been on the market, and how much similar places in the area sold for recently. It's all crucial info you'll need to come up with a smart offer (one that's neither too high nor too low).

Are your credit scores kick-ass? Your credit worthiness, which determines whether you'll be loaned money for a mortgage, is based on what's known as your FICO score. If you both have a minimum score of 720, you'll be in the running for a loan with a low interest rate, notes Bach. Anything above 750 and you're golden to get an even sweeter deal. Check your numbers at annualcreditreport.com. (It's free once a year!)

Not planning a move to Paris soon? When you purchase a home, you have to pay a lot more up front than just a down payment—there are also bank fees, closing costs (usually 3 to 5 percent of the purchase price), and possibly a Realtor's commission. You generally need to own the house for at least five years to recoup those fees.



ka-ching

"DUH!" WAYS TO SAVE FOR A DOWN PAYMENT

- 1 Get the double D: direct deposit. Part of your paychecks should go into a money-market account that's earmarked as a house fund.
- 2 Stop drinking your salaries. If both of you buy a \$4 daily latte for a year, that comes to \$2,920. Yikes! Save those dollars instead.
- 3 Take wallet-friendly vacations. Consider places close to home (to cut transportation costs) or camping. Wild setting, wild sex?
- 4 One word: eBay. Clean out your closets and watch the cash flow in.