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Diminishing home prices and low mortgage rates have made purchasing of homes more affordable for the first-time buyers in Houston and Dallas. The favorable mortgage rates have made it affordable for the first time buyers and renters to buy a home of their own. As real investment property advisors, we advise the first â€“time home buyers to keep certain things in mind while buying a house. Here are few factors that you should avoid while buying a house.

1. Donâ€™t apply for multiple credit cards: Multiple loans, new credit cards, and lines of credit will have a negative impact on your credit score as it will enhance your credit utilization; moreover lenders are very suspicious about borrowers with a huge amount of consumer debt.

2. Ignoring the demands of lending institutions: If you do not want any hassles in procuring loans, you should respect the demands of your lending institution. You should keep in mind that pre-approval of loans does not indicate the end of dealings with your lender. The lending institution or the lender would require various documents such as your bank statements to approve the mortgage. Failure to submit these documents would create substantial problems for you to buy your home.

3. Paying off debts: While you get ready to buy a home, you may want to pay off all the debts. Ideally, before taking the final decision on this, you should consult a mortgage advisor who could guide you accurately to assess if your current financial situation is good enough to make debt payments. Even if you pay off the debts, do not cease the accounts so as to prevent your credit score from going down. It is recommended to leave your accounts open without a balance.

4. Avoid changing banks: Always remember that while the lending institution/lender evaluates your mortgage pack, you will be asked to provide the lender with bank statements of your saving accounts as well as checking accounts along with money market accounts, if any. Generally, lenders ask for the bank statements of last three months while conducting the review process. Providing the lender with a precise documentation is essential as it helps detect fraud and the lenders can be confident of how you make money. Frequently changing banks and transferring cash to another account can prove to be troublesome for you as it would make it difficult for the lender while documenting your funds.

5. Avoid job hopping: A stable career history is an added advantage for you. A steady job history helps the lending institutions to qualify you for the applied mortgage package. Changing jobs frequently may help you to become eligible for your loan but if changing careers before you qualify can stall the process thus preventing you from being qualified for the mortgage.

6. Avoid making a major purchase before you buy the house: Do not make any major purchase before you buy the home you are planning to purchase as making major purchases during this period can seriously affect your debt-to-income ratio thus preventing you from purchasing the home. This is a common mistake done by a majority of several first-time buyers which have marred their chances of buying a home.

7. Avoid making major purchases after you buy a house: You should also avoid making major purchases soon after buying the house as you should provide some time for your credit to recover before making another major purchase.

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Ashokalion - About Author:
Jay Raman is the broker of record for The Lion Real Estate Group, a Houston and Dallas area brokerage focused on working with investors and homeowners buy, lease, or sell their property. Jay and his team have been in the a investment property Houston and association management business for the past 6 years and manage over 160 residential (single family home) properties in Houston and Dallas as well as several associations. To get more great articles or ideas, you can also visit a the Lion Real Estate Groupâ€™s Website, Facebook or Twitter Account.

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