SMARTER MONEY LIFE
powered by FORUM Credit Union

AVOIDING HOUSING MARKET MISTAKES



Buying a home in today's market isn't just about getting the keys, it's about making a smart, sustainable decision. Avoid these mistakes, and you'll not only own a home, but you'll also protect your financial future.

SHOPPING WITHOUT A TRUE BUDGET

- Only looking at the "approved amount"
- Stretching monthly cash flow too thin

Smart move: Set a **monthly payment comfort zone – not just a max approval**

SKIPPING PRE-APPROVAL
(or using outdated approvals)

- Shopping without credibility in competitive markets
- Using pre-approvals older than 60–90 days

Smart move: Get a **current, fully underwritten pre-approval**

UNDERESTIMATING TOTAL CASH NEEDED

- Focusing only on down payment
- Forgetting closing costs, inspections, moving, repairs

Smart move: Plan for **3–6% of purchase price extra**

WAIVING INSPECTIONS TO "WIN" THE DEAL

- Taking on unknown structural or safety risks
- Buying a problem instead of a home

Smart move: Protect yourself – **inspect or negotiate smarter, don't skip it**

ASSUMING RATES WILL DROP LATER

- Overextending today based on future refinance hopes
- Buying a home you can't afford long-term

Smart move: **Buy based on today's payment**, not tomorrow's guess

NOT SHOPPING LENDERS OR LOAN OPTIONS

- Missing better rates, terms, or products
- Overpaying over the life of the loan

Smart move: Compare **at least 2–3 lenders + loan types**

IGNORING THE IMPACT OF INSURANCE + TAXES

- Rising property taxes and insurance premiums
- Big surprises after closing

Smart move: Ask for a **realistic monthly escrow estimate upfront**

LETTING EMOTION DRIVE THE DECISION

- Falling in love and overbidding
- Ignoring red flags

Smart move: Stay disciplined – **it's a home AND a financial decision**

OVERLOOKING THE RESALE VALUE

- Buying a highly customized or poorly located home
- Ignoring long-term flexibility

Smart move: Think like a future buyer – **location, layout, and livability matter**

NEGLECTING EMERGENCY SAVINGS AFTER PURCHASE

- Using all savings for down payment
- No cushion for repairs or life events

Smart move: Keep **3 – 6 months of expenses after closing**

FORUM® CREDIT UNION

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EQUAL HOUSING OPPORTUNITY