



RESOURCES



Buying a home is most likely the largest purchase and investment you will ever make. Therefore, it is extremely important that you are cautious and exercise due diligence when making decisions. There are many confusing concepts that come along with getting a mortgage, such as: fixed and adjustable rates, points, escrows, taxes and personal mortgage insurance (PMI). These can be especially overwhelming for the first-time home buyer.

Therefore, along with this checklist, the Consumer Protection Board recommends that you **check** out the following websites before entering into a mortgage or other large lending agreement. We hope this pamphlet and these resources help to make your home buying experience rewarding and less stressful.

New York State Consumer Protection Board

www.nysconsumer.gov

New York State Banking Department

www.banking.state.ny.us

New York State Department of State

www.dos.state.ny.us (License Registry)

www.dos.state.ny.us/ooah (Disciplinary Actions Registry)

New York State Insurance Department

www.ins.state.ny.us

United States Department of Housing and Urban Development (HUD)

www.hud.gov

New York State Division of Housing and Community Renewal

www.dhcr.state.ny.us

SONYMA

www.nyhomes.org/home/index.asp

FannieMae

www.fanniemae.com

FreddieMac

www.freddiemac.com

NeighborWorks

www.nw.org

Center for Responsible Lending

www.responsiblelending.org

National Consumer Law Center

www.consumerlaw.org



Check Before Writing "The Check" List



*Thinking
about
buying a
house?*



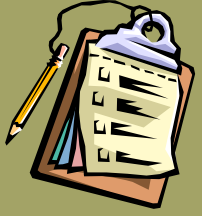
Make sure you have reviewed this important "checklist" before writing that Big Check.



A message from the
NYS Consumer Protection Board

www.nysconsumer.gov

1-800-697-1220



The Consumer Protection Board (CPB) is pleased to provide you with these important tips to follow before purchasing a home. Using this checklist may prevent you from falling victim to a predatory loan or becoming the subject of a foreclosure proceeding.

- Check** your credit scores and get a copy of your FREE annual credit report at www.annualcreditreport.com so you are aware of your financial status.
- Check** that you can afford the monthly mortgage payment with all taxes, estimated utility bills, monthly home maintenance costs and homeowner's insurance included.
- Check** out HUD-certified home counseling courses or seminars in your area before buying.
- Check** references of the individuals (e.g., lender, broker, inspector, real estate agent or attorney) with whom you are working in purchasing your home. Licensed Real Estate Brokers, Real Estate Salespersons, Real Estate Appraisers, Home Inspectors and Notary Publics are listed on the Department of State, Division of Licensing Services website.
- Check** that the professionals working for you have only your best interest in mind and are independent, not working collaboratively to advance their own self interests. Do not feel obligated to use only the appraisers, home inspectors, or real estate agents that your broker recommends.

- Check** county records to learn the property value of other houses in the neighborhood to make sure you are not overpaying.
- Check** over all of your paperwork with an attorney who specializes in real estate transactions before signing anything.
- Check** with a number of lenders before deciding with whom to work. There are many banks and mortgage lenders who will compete for your business.
- Check** interest rates and learn the difference between adjustable rate mortgages (ARMs) and fixed rate mortgages. Make sure you understand how your choice will affect you in future years in terms of your monthly payment. Find out if there are hidden terms, prepayment penalties or restrictions that prevent you from modifying your original loan.
- Make sure you double **check** your application so that you have your income and debts all accounted for correctly. This is very important so that you do not get approved for a mortgage that you cannot afford. Reputable lenders verify borrower income and employment.
- Check** everything within the home and property you are considering for defects with your home inspector and get a copy of their report.
- Stand back and **check** that you are not being pressured into a lending agreement you do not fully understand or that makes you uncomfortable.

CPB is working with other state agencies (listed on the back) to help homeowners with risky mortgages. This coalition is known as HALT (Halt Abusive Lending Transactions).