

How Much House Can I Afford

Video Transcript

If you're in the market to buy a home, ask yourself this crucial question. How much house can I afford? Being confident in your answer can help you build successful budget. Start by looking at your income.

A good rule of thumb is to spend no more than about one third of your earnings on housing costs. Next, research assistance programs and grants that can help with down payments, loans, and interest rates. And talk with a lender and a mortgage banker. They'll help you look at your full financial picture, like your credit score and history, and can guide you on types of loans you might qualify for.

Knowing how much house you can afford can help pave the way to the perfect home and a bright financial future.