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- **Don't buy if you can't stay put.**

If you can't commit to remaining in one place for at least a few years, then owning is probably not for you, at least not yet. With the transaction costs of buying and selling a home, you may end up losing money if you sell any sooner - even in a rising market. When prices are falling, it's an even worse proposition.

- **Aim for a home you can really afford.**

The rule of thumb is that you can buy housing that runs about two-and-one-half times your annual salary. But you'll do better to use one of many calculators available online to get a better handle on how your income, debts, and expenses affect what you can afford.

- **Buy in a district with good schools.**

In most areas, this advice applies even if you don't have school-age children. Reason: When it comes time to sell, you'll learn that strong school districts are a top priority for many home buyers, thus helping to boost property values.

- **Before house hunting, get pre-approved.**

Getting pre-approved will save you the grief of looking at houses you can't afford and put you in a better position to make a serious offer when you do find the right house. Not to be confused with pre-qualification, which is based on a cursory review of your finances, pre-approval from a lender is based on your actual income, debt and credit history.