

BRIDE GROOM

the word's out
noteworthy tips and trends for stationery

100+
unique ideas for spring and summer weddings

plus:
buying your first home
the dish on tableware
ask a groom

The Ultimate Wedding Planner

SPRING 2007 \$4.95
75
4470 91830 1

DISPLAY UNTIL JULY 1, 2007



Trading Spaces

buying your first home

First comes love, then comes marriage, then comes ... a mortgage? The last thank-you notes haven't been written, but you're eager to get on with your new life. Ah, visions of co-cooning in your special love nest.

More than just a roof over your head, your first house together is the place you'll call home. But, what if you have your heart set on that new 4,000-square-foot designer home in Sandy, and he's eyeing that handyman special in Sugar House? As if planning your wedding wasn't stressful enough, house hunting and shopping mortgage rates can reduce anyone to tears. The best advice? Educate yourselves. Decide what you can afford, separate needs from wants, and prioritize. Buying real estate is serious business, but it's also exciting. Here are some tips to start you on your way.

Work with professionals

Don't go this route alone; get referrals for a realtor and mortgage lender from people you trust. Make sure the realtor is full-time and licensed through the National Association of Realtors and find an experienced lender who has been in the business at least five years. A licensed realtor must abide by a standard code of ethics; however, the mortgage business is loosely regulated. An experienced lender will analyze finances, provide options and explanations, find the best rate possible, and get the job done.

Don't bite off more than you can chew

Banks will lend you enough money to financially sink yourself, so don't take a loan

amount just because you qualify. To avoid being house poor, calculate monthly costs to make sure you can live within your means. A good rule of thumb? No more than 40 percent of your income should be debt (credit cards, student loans, car loans, mortgage, etc.). Even if your house is in move-in condition, you'll still need plenty of cash to furnish it and pay for heat. To get an estimate on utilities, ask the current homeowner what, on average, they pay. Remember, you'll want disposable income to play.

Investigate down payment options

Struggling to come up with the cash? Help is available. Your lender may have some options, and the government provides a tax break for

first-time homeowners. You each can withdraw up to \$10,000 from your IRA accounts, without the 10 percent penalty, to buy, build, or rebuild a first home. Parents and grandparents can also pull money out to help (same rules apply). Check with a financial advisor or tax consultant for further information.

Read the fine print

If it sounds too good to be true, it is. Avoid “dialing for dollars” to find the best rate; typically you’ll get a low teaser rate over the phone to grab you. But mortgages are complicated, with dozens of options available, so it’s best to meet with mortgage professionals. Your seasoned lender will answer all your questions. How long you plan to live in the house is one factor in determining the appropriate mortgage for you. Ask about fees, points, closing costs, and any pre-payment penalties if you move or refinance.

Separate needs from wants

You can’t always get what you want, but aim for what you need. Prioritize your wish list to figure out what is most important; number of bedrooms, entertaining areas, backyard, storage, proximity to work, and access to transportation are to be considered. If home prices in your desired area are out of reach, think condo or townhouse. These are more reasonable and give you a foot in the door as a homeowner. Do serious research on the homeowner’s association to find out what’s included in the monthly fees (water, maintenance, basic cable, etc).

Don’t plan around a piece of furniture

Yes, you love your grandmother’s hutch, but finding space may prove difficult. Consider storing a beloved heirloom piece in a relative’s basement for a few years so that you can find an affordable house without constraints. You’ll have more options without trying to find the perfect abode to squeeze in that 10-foot dining room table. This also holds true for those recreational toys; your kayak, snowmobile, ATV, and canoe might just have to stay in the storage unit a few more years until you can afford a larger home.

Check under the hood

A home inspection is critical, and for an average cost of \$250, it’s money well spent. Don’t let your Uncle Bob, the contractor, “take a look.” Hire a licensed home inspector who is ASHI Certified (American Society of Home Inspectors). Not only will they inspect the heating system, structural integrity, and

plumbing, they are a good source for the first-time homebuyer on maintenance schedules, safety issues, and basic upkeep of systems. If there are serious problems (such as severe water damage, or structural and sewage issues), it might be smart to rescind your offer. No matter how much you love the house, big problems will come back to haunt you.

Think resale

Not a romantic notion when you haven’t even moved in, but it’s practical. You may not care about that foundation crack or leaky roof, but when you go to sell, others will. Buying a fixer-upper requires a lot of work, time, and money. Make sure this is how you want to spend all of your free time and cash before you take this on. Also, reflect the neighborhood—don’t buy the biggest or most expensive house on the block. An estate among bungalows might be a hard sell in the future.

Ask about the fridge

You love the Sub Zero fridge and European lighting fixtures. Are they included? Ask specific questions and read the contract carefully. Often washer/dryers, refrigerators, some window coverings, and lighting fixtures move with the seller. Remember, whatever is excluded you have to replace. Factor these costs into your budget.

Think ahead

If you’re considering having a family and can afford to buy a little bigger house, you will save money in the long run. Look for a house with three or four bedrooms and plenty of storage. Once a little one arrives, the mound of toys and baby gear commandeering your space is daunting. Moving is expensive, so consider the four-to-seven-year plan. The average “starter” home is kept for five years.

Plan a trip down the aisles

—of Home Depot, that is. If you’ve never lived in a house, you’ll be surprised at what’s needed to maintain it. A snowblower, lawnmower, hammer, rakes, hoses, and a ladder are just a few staples for the garage. If you want to do your own painting, gardening, and sprinkler repairs, be prepared—stock proper tools and equipment. Factor the costs of these essentials into your planning. To save money, scour yard and estate sales. A shovel is only new for one day, and if it works, it works!

Know what you can change

Brown shag carpet can be replaced with hard-

wood floors; ’70s avocado green appliances can be updated. However, a noisy street, loud neighbors, heavy traffic, and bad schools can’t be changed. A long commute to work can’t be shortened. If you’ve found the house of your dreams, do more sleuthing. To get a better “feel” for the neighborhood, check out the area at various times of day and night and test drive your route to work during rush hour. If it passes muster, you’ll be choosing paint colors and moving into your new home before you know it, ready to start your life together.

New Home Buyer's Expenses

Barely scraping together the dough for the down payment on a new home? Remember, there are other up-front costs to buying a home. Use this list of “other” expenses as a guide for your budget planning.

Inspection Costs


- Initial inspection
- Stucco inspection (if applicable)
- Radon inspection
- Termite inspection
- Asbestos inspection

Closing Costs

- Down payment
- Points
- Appraisal
- Title fees
- Tax service fee
- Credit report
- Underwriting
- Document prep
- Flood certification
- Processing fees

Moving Expenses

- Cost of professionally packing and moving
- Cost of professionally moving only (you pack up everything yourself)
- Packing materials
- Time off work to move
- Pizza and drinks for buddies helping with the big move!

click  For money management tips, visit utbrideandgroom.com.

Money and Marriage:

What you need to know

As intimate partners you've discussed everything—that is everything except money. Nothing sends couples into separate corners quicker than negotiating saving and spending habits. Here are some common-sense tips for creating a money-wise marriage.

Review your financials. Now that you've tied the knot, review retirement plans, life insurance policies and investments for registration and beneficiary designations. Make sure all information is updated to reflect your new status. Consult a financial professional for advice.

Check it out. One checking account or three? Are you going to set up a joint account where you both contribute to family expenses? Or, should you maintain individual accounts, deciding who pays for utilities and who buys the food? Sometimes couples have a blend of both: a joint account for household expenses and personal accounts for discretionary spending. If three accounts, discuss a fair plan for both contributing to the joint account.

Mind your dollars and cents. Create a budget of income and expenses. Keep track of your spending for a month. You'll be surprised how ATM's and plastic make it easy to lose track of cash.

Break in case of emergency. Create an "emergency fund." Aim for accumulating three to six months of living expenses in a cash account (savings or money market). When the car needs new tires or the dishwasher breaks, you don't want to raid your 401(k).

Avoid the Credit Trap. Credit cards are a useful tool, but beware of overuse. It's tempting to pull out plastic to furnish every room in your new love-nest, but mounting debt can't be escaped. To keep your credit in check, buy what you can afford to pay off monthly. Debt can add up faster than unwanted pounds, and it's harder to shed. Have only one or two credit cards to keep a lid on overuse.