

## Hidden Costs of Buying a Home – Don't Be Unprepared!

*A new guide from LoanLove.com takes a look at the real cost of homeownership so that new home buyers will not be caught unprepared.*

San Diego, CA ([PRWEB](#)) June 05, 2014 -- LoanLove.com is a borrower advice website that strive to help home buyers find loans that they will love. The articles and resources found on the website can also help home buyers in other aspects of owning a home, dealing with the associated costs, as well as maximizing the benefits of homeownership. A newly featured article on the website continues to help new home buyers by taking a look at some of the [hidden costs of buying a home](#) that many people may not be aware of.

This new article takes a look at six costs of owning a home that new buyers may not have factored in to their budget projections. Getting a better idea of [what it really costs to be a homeowner](#) can help prevent any unpleasant surprises down the road and make the whole experience much less stressful. The hidden costs of homeownership reviewed in the article include:

- Closing costs
- Private mortgage insurance
- Home owners insurance
- Property taxes
- Ongoing maintenance and repairs
- Furniture and decorating

Some of these costs will come up when the buyer is setting up financing for their home. For example, closing costs, as the name suggests, must be paid before closing on the mortgage loan. Loan Love explains that these costs may be covered by the seller, depending on the agreement, but it is important to know who will be paying, as fees typically range from 3 to 5 percent of the selling price of the home. Evidence of a home owner insurance plan will also be necessary before securing a home loan.

Other costs will come up every month or each year, such as private mortgage insurance (PMI) and property taxes. PMI applies for any borrower whose down payment was less than 20 percent of the loan amount, and will be added with each monthly mortgage payment. Property taxes may be added to the monthly payment by the lender and saved in escrow until tax time, or simply paid by the owner each year as taxes come due. Home owners who have taxes taken out monthly will also need to be prepared as the actual tax amount may exceed what they have saved in escrow.

Ongoing maintenance and repair costs can occur practically any time, so it is good if homeowners are financially prepared for this eventuality. The Loan Love [guide to hidden homeownership costs](#) says, "Unless you purchased a fixer-upper, you have probably been too focused on the best attributes of your new home to consider the areas that will need your attention—and dollars. But even new houses require regular upkeep and maintenance. In addition to minor tasks done on a regular basis, like changing HVAC filters, it won't be too far down the road before you begin to anticipate a major repair or renovation, like replacing a roof or furnace. In fact, it's a good idea to expect a major repair or replacement—costing hundreds or even thousands of dollars—every year and set aside some money in an account dedicated for such repairs.

In addition to the home itself, you will need to plan ahead for exterior costs like:

- landscaping;
- lawn care;

- siding and masonry repairs;
- gutter and drainpipe maintenance;
- snow removal;
- painting;
- driveway maintenance;
- exterior lighting; and
- security.”

Of course, these expenses will vary depending on what facilities the home includes and where the home is located, but the point is that homeowners should be prepared. The last [cost of owning a home](#) that may be overlooked is the cost of furniture and decorating. Again, the expense will depend largely on the homeowner's plans regarding their new home, but it is important to keep in mind, as those who have their dream home in mind may find it disappointing when they do not have enough cash saved to make it look the way they have pictured it.

For more information on this topic and the items listed above, [click here](#) to read the full article on LoanLove.com.

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