



Managing Your Home Expenses

As a homeowner, it's important to keep on budgeting and saving. Starting with your very first mortgage payment, you need to keep up your good credit rating by establishing a consistent history of making your payments on time. Here are tips for handling your new financial responsibilities as a homeowner:

Make current financial obligations a priority

It's natural to want to decorate and furnish your new home, but you must remember that your qualifications for repaying your mortgage were based on your existing debt. If you make new purchases for which you must borrow money, you may have more difficulty making your house payments. Your new house payment is probably greater than your previous rent payment. In addition, your utility bills are likely to increase. Before making any other major purchases and taking on additional debt, be sure you can handle your new monthly housing expenses.

Establish a bill paying schedule

- Note when your first mortgage payment is due. If you haven't received your payment coupons, call your lender for the payment amount and the payment mailing address.
- Be aware of the dates during the month when your other bills are due. Note the dates on your monthly budget. Plan your spending accordingly, so you have cash when you need it to pay your bills.
- Compare the due dates of your monthly bills with your schedule for getting paid.
- Contact your electric and gas companies and request information on their budget billing plans. These plans allow you to pay the same amount each month, which can make it easier to plan your budget.
- Plan ahead for large periodic expenses such as insurance premiums and personal or property taxes.
- Develop a maintenance and repair fund for your home. Consider keeping these funds in a separate account, to ensure you have the funds when you need them.

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Keep careful records

It pays to have a good system for organizing and filing your home and mortgage-related papers. To receive any tax benefits to which you're entitled, you'll need to have records. Be sure to save all purchase information, including the settlement sheet you receive at closing. (The settlement sheet, also called a HUD-1 Statement or closing statement, is a document prepared by the closing agent that describes the real estate transaction in detail.) Save records of all work you have done on your home, including contracts, receipts and other information. You'll need records like these if you sell your home. Financial experts often recommend obtaining a bank safe deposit box to store copies of important documents. Here are more suggestions for organizing your records:

- Collect important papers and store them in a safe place.
- Keep service contracts and owner's manuals in a file.
- Keep a file of warranties and receipts.
- List all model numbers and serial numbers of your possessions.
- Photograph or videotape your home (inside and outside) and major possessions. These visual records may help you make an insurance claim if you're the victim of a natural disaster. Keep a copy of the tape or pictures in a safe place. Ask your homeowner's insurance agent to keep a copy.
- Create home maintenance project files. These will help you plan and budget for future home maintenance, repairs, and improvements.

We invite you to contact Wells Fargo for further information and assistance. Visit our Web site at wellsfargo.com or any Wells Fargo store.