

5 Things

FIRST-TIME BUYERS
SHOULD KNOW
ABOUT

Homeownership

A REAL ESTATE EBOOK FROM



Introduction

Congratulations on becoming a homeowner!

Making it through the homebuying process for the first time is an enormous achievement, and we hope you take a moment to enjoy this milestone.

However, while homeownership is incredibly exciting, it also comes with a lot of responsibility. It's easy to make mistakes as a new homeowner, but with a bit of preparation, we're confident that you'll make it through your first year of homeownership — and beyond — without a hitch.

With that in mind, we've compiled a few tips to get you started as you settle into your new home.





Homeownership in the United States

By now, you probably have the keys to your new home, and you likely have begun unpacking and moving in. It's an exciting time, but if you're also feeling a little bit intimidated by the prospect of homeownership, you're not alone.

As a first-time homebuyer, you've now joined the 65.4% of Americans who own their homes, [according to 2024 U.S. Census Bureau data](#).

Going from renting to owning a home is a big transition, and there will be a lot to learn.



First-time buyers now make up

32%
of all homebuyers



The typical first-time buyer is

35
years old

Source: *The National Association of REALTORS® 2023 Profile of Homebuyers and Sellers*

TIP #1

Store Your Documents in a Secure Location

There's no way around it: Buying a home requires a lot of paperwork.

Many first-time homebuyers are surprised by the enormous stack of documents they need to sign at closing. You'll receive copies of those documents, which we strongly recommend keeping in a safe place — but they're not the only documents you'll need to keep track of.

You might also receive manuals for appliances in your new home or information about warranties, which are important to keep. You should also keep any documents related to repairs or maintenance that you complete in your new home.

We recommend keeping all these home-related documents together in an accessible location. If a problem arises, or when you go to sell your home, you'll be grateful you did.

TIP #2

Build a Home Emergency Fund

If there's a maintenance issue in a home you're renting, you can call the property owner to send someone to fix it. But when you're a homeowner, all repairs are your responsibility, and they can get expensive. That's why it's important to build a home emergency fund.

In general, it's a good idea to have about 1-3% of your home's value tucked away for home-related expenses, [*Realtor.com* advises](#). For example, if your home is worth \$500,000, your home emergency fund should have at least \$5,000 to \$15,000 in it.

If your air conditioning stops working or you have a plumbing emergency, having an easily accessible emergency fund will be invaluable.



It's a good idea to have about

1-3%
of your home's value
tucked away
for home-related
expenses.

TIP #3

Keep Up With Regular Home Maintenance



Seasonal Preparations

When the seasons change, there are steps you should take to protect your home. Here are a few things to consider doing when the weather gets colder:

- ☐ Winterize Your Sprinkler System
- ☐ Clean Out Your Gutters
- ☐ Check Your Drainage
- ☐ Detach and Store Your Hose
- ☐ Check Your Exterior Caulk and Sealant
- ☐ Install Weather Stripping
- ☐ Check Your Trees for Weak Branches

TIP #3

Keep Up With Regular Home Maintenance

Indoor Maintenance

As a homeowner, you'll also need to do routine maintenance inside your home. It might be tempting to postpone some of these regular tasks, but they're an essential part of protecting the investment you made in your home.

Here are a few things that you should do regularly:

- ☐ **Test Your Smoke and Carbon Monoxide Detectors**
- ☐ **Replace the Air Filter in Your HVAC System At Least Every 90 Days**
- ☐ **Get Your HVAC System Cleaned and Serviced At Least Once Per Year**
- ☐ **Check Your Plumbing for Signs of Leaks**
- ☐ **Have Your Chimney Cleaned and Inspected Annually**

There are plenty of other appliances and systems in your home that you'll need to check regularly, too. By staying on top of your home maintenance, you can hopefully prevent problems before they occur instead of doing damage control afterward.



TIP #4

Watch Your Utility Usage

As a homeowner, you'll also be responsible for all utility bills, which means it's time to start watching how much water, electricity, and natural gas you use each month. It might be worth it to invest in energy-efficient upgrades.

Newer, more efficient systems and appliances such as toilets, water heaters, or clothes washers can save you money in the long run while helping the planet, too.



Each American uses
an average of
100
gallons
of water a day
at home.

Installing
water-efficient
fixtures and
appliances can
help you use at least
20%
less water

Source: [Department of Public Health & United States Environmental Protection Agency](#)



Average Residential Utility Bills by State

Energy costs vary widely by state, data shows. How does your state rank?

Most Expensive

Average Monthly Utility Cost

- 1 Hawaii**
Electricity: **\$162.66** Natural Gas: **\$236.83**
- 2 Connecticut**
Electricity: **\$161.55** Natural Gas: **\$80.94**
- 3 Alabama**
Electricity: **\$143.95** Natural Gas: **\$78.83**
- 4 Georgia**
Electricity: **\$129.92** Natural Gas: **\$85.88**
- 5 Arizona**
Electricity: **\$136.70** Natural Gas: **\$78.22**

Least Expensive

Average Monthly Utility Cost

- 1 Utah**
Electricity: **\$80.24** Natural Gas: **\$45.31**
- 2 Idaho**
Electricity: **\$95.04** Natural Gas: **\$35.33**
- 3 Colorado**
Electricity: **\$87.88** Natural Gas: **\$46.32**
- 4 New Mexico**
Electricity: **\$86.66** Natural Gas: **\$61.69**
- 5 Montana**
Electricity: **\$96.49** Natural Gas: **\$44.65**

Source: [Rocket Loans](#)

TIP #5

Home Improvements

Gone are the days of property owners telling you that you can't paint the walls in your home. You can customize your new home to your heart's content!

However, we strongly recommend pacing yourself and taking a step back to decide which projects you can complete on your own and which should be handled by a professional.

It doesn't hurt to focus on projects that will boost your home's resale value. To learn more about the home renovation projects that offer the best return on investment, such as a new garage door or a hardwood floor refinish, read our blog, [*The Top 4 Home Renovations That Deliver the Highest ROI.*](#)



Did You Know? In the first quarter of 2024, Americans spent \$463 billion on remodeling their homes, [USA Today said in a recent report.](#) Some homeowners choose to hire a professional to complete the project from start to finish, some buy the materials themselves but hire someone to do the labor, and some take on the entire project themselves.



Congratulations, New Homeowner!

Owning your own home comes with countless perks, from the ability to personalize your living space to the opportunity to build home equity. We're thrilled that you've decided to become a homeowner!

When it comes to owning a home, there's always more to learn. There's no need to worry, though — you're going to do just fine!

If questions arise, don't forget that you can always reach out to your real estate agent! Whether you need a recommendation for a local plumber or advice on the housing market, your agent will likely be happy to help.

Good luck!



About Us

Founded in 2005, The CE Shop has become the leading provider of online real estate education. With industry-leading pass rates and support from Pre-Licensing through CE, our students are better prepared to set themselves up for success.

Our ever-expanding course catalog of Pre-Licensing, Exam Prep, Post-Licensing, and Continuing Education products are trusted throughout the industry and offer agents across the country the education they rely on.

With products available in all 50 states and D.C., we're driven by a desire to constantly improve, both for ourselves and our students.

